



# Q1 FY22 Earnings Slides

August 5, 2021



# Cautionary Statement

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended and Section 21E of the Securities Exchange Act of 1934 as amended, including, without limitation, regarding LiveRamp's (the "Company") future business prospects. These statements involve risks and uncertainties that could cause the Company's actual results to differ materially, including, but not limited to competitive pressures, adverse economic conditions, uncertainties resulting from the COVID-19 pandemic and governmental regulations.

These issues and other factors that may be identified from time to time in the Company's reports filed with the SEC could cause actual results to differ materially from those indicated in the forward-looking statements.

For a detailed discussion of these and other risk factors, please refer to the Company's most recent Annual Report on Form 10-K and other filings the Company makes from time to time with the Securities and Exchange Commission (the "SEC"), which are available on the SEC's Web site (<http://www.sec.gov>).

Investors are cautioned not to place undue reliance on the Company's forward-looking statements, which speak only as of the date such statements are made. The Company does not undertake any obligation to publicly update any forward-looking statements to reflect events, circumstances or new information after the date of this presentation, or to reflect the occurrence of unanticipated events.

# Use of Non-GAAP Information

The Company reports all financial information required in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes, however, that evaluating its ongoing operating results will be enhanced if it also discloses certain non-GAAP information because it is useful to understand the Company’s performance.

Whenever the Company uses such historical non-GAAP financial measures, it provides a reconciliation of historical non-GAAP financial measures to the most closely applicable GAAP financial measure. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measure included in the financial tables accompanying the Company’s press release and in the appendix to this presentation.

These non-GAAP financial measures do not reflect a comprehensive system of accounting, differ from GAAP measures with the same captions and may differ from non-GAAP financial measures with the same or similar captions that are used by other companies. The use of certain non-GAAP financial measures requires management to make estimates and assumptions regarding amounts of assets and liabilities and the amounts of revenue and expense during the reporting periods. The Company bases its estimates on historical experience and assumptions that it believes are reasonable. Actual results could differ from those estimates.

# Key SaaS Metrics

Q1 FY22

## Predictable, Recurring Revenue

**\$342<sup>1</sup>M**

ARR  
(up 12% YoY)

**81%**

Subscription  
% of  
total revenue

## Subscription Customer Growth

**855<sup>2,3</sup>**

Direct  
clients

**70<sup>4</sup>**

\$1M clients

## Land & Expand with Network Effects

**28%**

Brand ACV  
YoY growth

**108%<sup>5</sup>**

Platform  
net retention

## Profitable Long-term Model, Non-GAAP

**76%**

Gross margin  
(up 4 points YoY)

**5th**

Consecutive  
quarter of  
operating  
profit

See appendix and accompanying press release for GAAP equivalent metrics

# Summary Financial Results

*\$Ms, except per share amounts*

	GAAP		Non-GAAP <sup>6</sup>	
	Q122	YoY	Q122	YoY
<b>Revenue</b>	<b>\$119</b>	<b>20%</b>	—	—
<b>Gross profit</b>	<b>\$85</b>	<b>30%</b>	<b>\$90</b>	<b>27%</b>
<i>Gross margin</i>	<i>71%</i>	<i>6 pts</i>	<i>76%</i>	<i>4 pts</i>
<b>Operating income (loss)</b>	<b>(\$18)</b>	<b><i>nm</i></b>	<b>\$7</b>	<b>393%</b>
<i>Operating margin</i>	<i>(15%)</i>	<i>11 pts</i>	<i>6%</i>	<i>4 pts</i>
<b>Net earnings<sup>7</sup></b>	<b>\$17</b>	<b><i>nm</i></b>	<b>\$7</b>	<b><i>nm</i></b>
EPS	\$0.25	<i>nm</i>	\$0.09	<i>nm</i>
Share count <sup>8</sup>	69.6	3%	69.6	3%

# Revenue Summary

\$Ms

Revenue by Type	Q122	Q121	YoY
Subscription	\$97	\$83	16%
Marketplace & Other	\$23	\$17	36%
<b>Total</b>	<b>\$119</b>	<b>\$99</b>	<b>20%</b>

Revenue by Geography	Q122	Q121	YoY
US	\$112	\$93	20%
International	\$7	\$6	21%
<b>Total</b>	<b>\$119</b>	<b>\$99</b>	<b>20%</b>

*Totals may not foot due to rounding.*

# Cash Flow

*\$Ms, Non-GAAP*

	Q122	Q121
Operating cash flow	(\$17)	(\$24)
Capital expenditures	(\$0)	(\$1)
Free cash flow to equity	(\$18)	(\$24)

*Totals may not foot due to rounding.*

# Key Growth Metrics

\$Ms, Non-GAAP

## 1 Subscription Net Retention <sup>10</sup>

	Q121	Q221	Q321	Q421	Q122
<b>Subscription net retention</b>	<b>109%</b>	<b>111%</b>	<b>105%</b>	<b>101%</b>	<b>103%</b>

See footnote 10 on slide 24 for definition of subscription net retention.

## 2 Platform Net Retention <sup>5</sup>

	Q121	Q221	Q321	Q421	Q122
<b>Platform net retention</b>	<b>111%</b>	<b>109%</b>	<b>110%</b>	<b>104%</b>	<b>108%</b>

See footnote 5 on slide 24 for definition of platform net retention.

## 3 ARR Growth <sup>1</sup>

	Q121	Q221	Q321	Q421	Q122
<b>ARR</b>	<b>\$305</b>	<b>\$318</b>	<b>\$329</b>	<b>\$337</b>	<b>\$342</b>
YoY %	27%	18%	17%	13%	12%

See footnotes 1 & 11 on slide 24 for definition of ARR.

## 4 TTM Marketplace Revenue Growth

	Q121	Q221	Q321	Q421	Q122
<b>TTM marketplace &amp; other</b>	<b>\$77</b>	<b>\$78</b>	<b>\$84</b>	<b>\$86</b>	<b>\$92</b>
TTM YoY %	49%	30%	27%	15%	20%
<b>TTM data marketplace</b>	<b>\$49</b>	<b>\$52</b>	<b>\$60</b>	<b>\$63</b>	<b>\$69</b>
TTM YoY %	49%	39%	46%	34%	41%



# Revenue Detail

\$Ms

<b>Subscription revenue:</b>	<b>Q121</b>	<b>Q221</b>	<b>Q321</b>	<b>Q421</b>	<b>Q122</b>
Fixed % of total subscription	91%	91%	87%	88%	87%
Usage % of total subscription	9%	9%	13%	12%	13%
<b>Total subscription revenue</b>	<b>\$83</b>	<b>\$86</b>	<b>\$93</b>	<b>\$94</b>	<b>\$97</b>
<i>YoY growth</i>	<i>21%</i>	<i>19%</i>	<i>15%</i>	<i>13%</i>	<i>16%</i>
<b>Marketplace &amp; other revenue:</b>					
Data marketplace	\$11	\$14	\$20	\$18	\$17
<i>YoY growth</i>	<i>21%</i>	<i>27%</i>	<i>60%</i>	<i>25%</i>	<i>57%</i>
Other revenue	\$6	\$5	\$6	\$6	\$6
<i>YoY growth</i>	<i>9%</i>	<i>(33%)</i>	<i>(21%)</i>	<i>(12%)</i>	<i>(4%)</i>
<b>Total marketplace &amp; other revenue</b>	<b>\$17</b>	<b>\$19</b>	<b>\$26</b>	<b>\$25</b>	<b>\$23</b>
<i>YoY growth</i>	<i>16%</i>	<i>4%</i>	<i>27%</i>	<i>13%</i>	<i>36%</i>
<b>Total revenue</b>	<b>\$99</b>	<b>\$105</b>	<b>\$120</b>	<b>\$119</b>	<b>\$119</b>
<i>YoY growth</i>	<i>21%</i>	<i>16%</i>	<i>17%</i>	<i>13%</i>	<i>20%</i>

Totals may not foot due to rounding.

# Key Growth Metrics Highlight Topline Momentum Building

YoY growth %, except net retention metrics

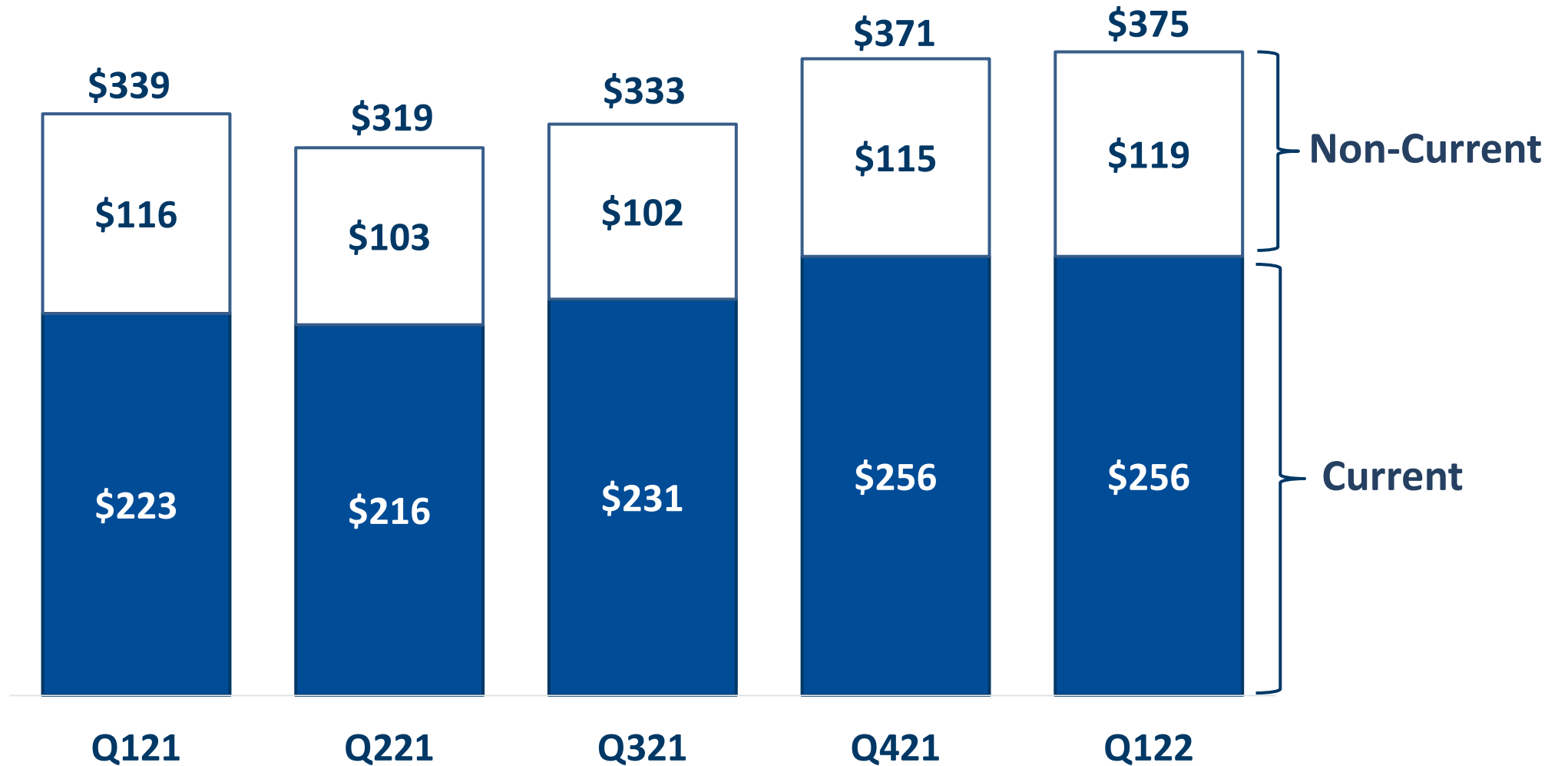
	As reported		Ex. Wholesale	
	Q421	Q122	Q421	Q122
Subscription revenue	13%	16%	14%	29%
Marketplace & other revenue	13%	36%	13%	36%
<b>Total revenue</b>	<b>13%</b>	<b>20%</b>	<b>14%</b>	<b>30%</b>
<b>Annualized recurring revenue (ARR)</b>	<b>13%</b>	<b>12%</b>	<b>15%</b>	<b>25%</b>
<b>Subscription net retention (SNR)</b>	<b>101%</b>	<b>103%</b>	<b>105%</b>	<b>114%</b>
<b>Platform net retention (PNR)</b>	<b>104%</b>	<b>108%</b>	<b>107%</b>	<b>117%</b>

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Growth Bookings <sup>12</sup>	Q122	
	T6M	TTM
Total company	50%+	30%+
US	40%+	25%+
Int'l	170%+	120%+
Safe Haven	190%+	200%+
TV	90%+	70%+

# Total Remaining Performance Obligations<sup>13</sup>

\$Ms



# Safe Haven

A network of industry-defining capabilities powering a network of data connections



# Outlook

# Q2 & FY22 Outlook

*\$Ms*

	<b>Q2</b>	<b>FY</b>
<b>Revenue</b>	<b>\$124</b>	<b>\$522</b>
<i>~YoY Growth %</i>	<i>18%</i>	<i>18%</i>
<i>ex Wholesale</i> <sup>11</sup>	<i>&gt;25%</i>	<i>&gt;25%</i>

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	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
<b>Revenue Phasing</b>	<b>23%</b>	<b>24%</b>	<b>27%</b>	<b>26%</b>

(percentages are calculated as quarterly revenue divided by full fiscal year revenue)

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	<b>Q2</b>
<b>Subscription Net Retention</b>	<b>~103%</b>
<i>SNR ex Wholesale</i> <sup>11</sup>	<i>~113%</i>

# Q2 & FY22 Outlook (continued)

~Ms

## Operating Performance

	Q2	FY22
Operating (Loss) Income Non-GAAP <sup>13</sup>	~\$4	\$15
Operating (Loss) Income GAAP <sup>14</sup>	~(\$22)	(\$96)

## Other Items (approximate)

	FY22
Ongoing stock-based comp	\$57
Acquisition-related stock-based comp	\$34
Total stock-based comp	\$91
Share count (basic)	68
Share count (diluted)	70
Capital spending (% of rev.)	3%

# Appendix



# Wholesale Contraction Impact <sup>11</sup>

*\$Ms, except net retention metrics*

	Q421A	FY21A	Q122A	Q222E	Q322E	Q422E	FY22E
Total Revenue	(\$1)	(\$1)	(\$8)	(\$8)	(\$8)	(\$6)	(\$30)
Subscription Revenue	(\$1)	(\$1)	(\$8)	(\$8)	(\$8)	(\$6)	(\$30)
ARR	(\$5)	(\$5)	(\$30)	(\$30)	(\$30)	(\$25)	(\$25)
Net Retention Metrics	~(2pts)	-	~(10pts)	~(10pts)			

# Building the Trusted Ecosystem: By the Numbers

## Ready for activation



**60+ DSPs**

live or committed to buying on RampID



**55+ SSPs**

live or committed to implementing RampID in the bidstream



**340%** 3-year return on investment for our customers

**6** month payback period for our customers

**40%+** publisher yield increases (see Microsoft case study)

## A scalable solution



**450+ publishers** adopted ATS

**90%** US addressable reach



Comscore Top Publishers

**80%**  
of the Top 20

**75%**  
of the Top 50



Available Globally – Only Omnichannel Solution

**North America, EMEA, LATAM & APAC**

# LiveRamp's Identity Coverage
















EXPERIENCES SERVED



LiveRamp's identity coverage
  Programmatic identity providers

# LiveRamp Serves the World

## Addressability for Paid Media

EXPERIENCES SERVED ACROSS GEOGRAPHIES			
Additional*	2021	2021	2021
LatAm*	2021	2021	2021
APAC*			
Japan			
UK			
EU			
North America*			
	Open Web Programmatic	TV	Publisher Premium

\* Additional Countries: Argentina, Brazil, Mexico, Canada, Indonesia, Vietnam, Thailand, Malaysia (customer led expansion)

# GAAP to Non-GAAP Reconciliation

Income Statement (part 1 of 2), \$Ks

	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22
<b>Total Revenue</b>	\$ 220,101	\$ 285,620	\$ 82,511	\$ 90,143	\$ 102,217	\$ 105,701	\$ 380,572	\$ 99,437	\$ 104,661	\$ 119,753	\$ 119,175	\$ 443,026	\$ 119,038
Gross Profit (GAAP)	\$ 123,705	\$ 164,902	\$ 46,085	\$ 48,683	\$ 64,251	\$ 68,849	\$ 227,868	\$ 64,972	\$ 69,764	\$ 82,668	\$ 81,618	\$ 299,022	\$ 84,723
% of Revenue	56.2%	57.7%	55.9%	54.0%	62.9%	65.1%	59.9%	65.3%	66.7%	69.0%	68.5%	67.5%	71.2%
Excluded items:													
Purchased intangible asset amortization	23,895	15,858	3,123	5,369	5,369	5,181	19,042	5,306	4,350	4,213	4,177	18,046	4,645
Non-cash stock compensation	2,651	4,708	755	1,060	1,028	926	3,769	775	913	988	2,624	5,300	790
Accelerated depreciation	-	2,972	1,487	1,245	-	-	2,732	-	-	-	-	-	-
<b>Gross Profit - Non-GAAP</b>	\$ 150,251	\$ 188,441	\$ 51,450	\$ 56,357	\$ 70,648	\$ 74,956	\$ 253,411	\$ 71,053	\$ 75,027	\$ 87,869	\$ 88,419	\$ 322,368	\$ 90,158
% of Revenue	68.3%	66.0%	62.4%	62.5%	69.1%	70.9%	66.6%	71.5%	71.7%	73.4%	74.2%	72.8%	75.7%
R&D (GAAP)	\$ 60,713	\$ 85,697	\$ 23,722	\$ 26,445	\$ 27,403	\$ 28,411	\$ 105,981	\$ 26,989	\$ 31,035	\$ 30,608	\$ 46,479	\$ 135,111	\$ 34,776
% of Revenue	27.6%	30.0%	28.8%	29.3%	26.8%	26.9%	27.8%	27.1%	29.7%	25.6%	39.0%	30.5%	29.2%
Excluded items:													
Non-cash stock compensation	15,644	28,225	4,451	6,346	6,462	6,001	23,260	5,886	7,713	7,376	17,985	38,960	5,348
<b>R&amp;D - Non-GAAP</b>	\$ 45,069	\$ 57,473	\$ 19,271	\$ 20,099	\$ 20,941	\$ 22,410	\$ 82,721	\$ 21,103	\$ 23,322	\$ 23,232	\$ 28,494	\$ 96,151	\$ 29,428
% of Revenue	20.5%	20.1%	23.4%	22.3%	20.5%	21.2%	21.7%	21.2%	22.3%	19.4%	23.9%	21.7%	24.7%
S&M (GAAP)	\$ 108,639	\$ 158,540	\$ 43,144	\$ 45,204	\$ 51,993	\$ 48,564	\$ 188,905	\$ 38,627	\$ 41,705	\$ 43,904	\$ 53,307	\$ 177,543	\$ 41,979
% of Revenue	49.4%	55.5%	52.3%	50.1%	50.9%	45.9%	49.6%	38.8%	39.8%	36.7%	44.7%	40.1%	35.3%
Excluded items:													
Non-cash stock compensation	23,381	43,970	8,920	9,758	15,670	3,678	38,026	7,123	9,233	9,212	14,833	40,401	6,793
<b>S&amp;M - Non-GAAP</b>	\$ 85,258	\$ 114,570	\$ 34,224	\$ 35,446	\$ 36,323	\$ 44,886	\$ 150,879	\$ 31,504	\$ 32,472	\$ 34,692	\$ 38,474	\$ 137,142	\$ 35,186
% of Revenue	38.7%	40.1%	41.5%	39.3%	35.5%	42.5%	39.6%	31.7%	31.0%	29.0%	32.3%	31.0%	29.6%
G&A (GAAP)	\$ 85,154	\$ 98,878	\$ 25,318	\$ 27,262	\$ 26,107	\$ 30,216	\$ 108,903	\$ 23,368	\$ 24,495	\$ 23,943	\$ 32,395	\$ 104,201	\$ 24,291
% of Revenue	38.7%	34.6%	30.7%	30.2%	25.5%	28.6%	28.6%	23.5%	23.4%	20.0%	27.2%	23.5%	20.4%
Excluded items:													
Non-cash stock compensation	11,192	25,818	4,504	6,190	7,135	6,563	24,392	2,701	6,345	6,318	11,682	27,046	5,565
Separation & transformation costs	17,786	2,117	-	-	-	-	-	3,605	258	-	-	3,863	-
Accelerated depreciation	-	840	419	418	-	-	837	-	-	-	-	-	-
<b>G&amp;A - Non-GAAP</b>	\$ 56,176	\$ 70,102	\$ 20,395	\$ 20,654	\$ 18,972	\$ 23,653	\$ 83,674	\$ 17,062	\$ 17,892	\$ 17,625	\$ 20,713	\$ 73,292	\$ 18,726
% of Revenue	25.5%	24.5%	24.7%	22.9%	18.6%	22.4%	22.0%	17.2%	17.1%	14.7%	17.4%	16.5%	15.7%

# GAAP to Non-GAAP Reconciliation

Income Statement (part 2 of 2), \$Ks

	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22
<b>Total Revenue</b>	\$ 220,101	\$ 285,620	\$ 82,511	\$ 90,143	\$ 102,217	\$ 105,701	\$ 380,572	\$ 99,437	\$ 104,661	\$ 119,753	\$ 119,175	\$ 443,026	\$ 119,038
Loss from operations (GAAP)	\$ (133,524)	\$ (198,146)	\$ (48,375)	\$ (50,273)	\$ (41,485)	\$ (40,789)	\$ (180,922)	\$ (26,007)	\$ (26,852)	\$ (15,781)	\$ (51,908)	\$ (120,548)	\$ (17,601)
% of Revenue	-60.7%	-69.4%	-58.6%	-55.8%	-40.6%	-38.6%	-47.5%	-26.2%	-25.7%	-13.2%	-43.6%	-27.2%	-14.8%
Excluded items:													
Purchased intangible asset amortization	\$ 23,895	\$ 15,858	\$ 3,123	\$ 5,369	\$ 5,369	\$ 5,181	\$ 19,042	\$ 5,306	\$ 4,350	\$ 4,213	\$ 4,177	\$ 18,046	\$ 4,645
Non-cash stock compensation	52,866	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894	47,124	111,707	18,496
Restructuring & merger charges	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)	1,345	2,715	1,278
Separation & transformation costs	17,786	2,117	-	-	-	-	-	3,605	258	-	-	3,863	-
Accelerated depreciation	-	3,812	1,906	1,663	-	-	3,569	-	-	-	-	-	-
<b>Income (loss) from operations - Non-GAAP</b>	\$ (36,254)	\$ (53,704)	\$ (22,440)	\$ (19,842)	\$ (5,588)	\$ (15,993)	\$ (63,863)	\$ 1,384	\$ 1,341	\$ 12,320	\$ 738	\$ 15,783	\$ 6,818
% of Revenue	-16.5%	-18.8%	-27.2%	-22.0%	-5.5%	-15.1%	-16.8%	1.4%	1.3%	10.3%	0.6%	3.6%	5.7%
<b>Income / (loss) from continuing ops before tax (GAAP)</b>	<b>(\$133,022)</b>	<b>(\$179,356)</b>	<b>(\$42,493)</b>	<b>(\$45,493)</b>	<b>(\$38,327)</b>	<b>(\$39,224)</b>	<b>(\$165,537)</b>	<b>(\$25,544)</b>	<b>(\$27,077)</b>	<b>(\$15,867)</b>	<b>(\$52,312)</b>	<b>(\$120,800)</b>	<b>\$13,000</b>
Excluded items:													
Purchased intangible asset amortization	\$ 23,895	\$ 15,858	\$ 3,123	\$ 5,369	\$ 5,369	\$ 5,181	\$ 19,042	\$ 5,306	\$ 4,350	\$ 4,213	\$ 4,177	\$ 18,046	\$ 4,645
Non-cash stock compensation	52,866	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894	47,124	111,707	18,496
Restructuring & merger charges	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)	1,345	2,715	1,278
Separation & transformation costs	17,786	2,117	-	-	-	-	-	3,605	258	-	-	3,863	-
Accelerated depreciation	-	3,812	1,906	1,663	-	-	3,569	-	-	-	-	-	-
Gain on retained profits interest	-	-	-	-	-	-	-	-	-	-	-	-	(30,052)
<b>Income / (loss) from continuing ops before tax - Non-GAAP</b>	<b>(\$35,752)</b>	<b>(\$34,914)</b>	<b>(\$16,558)</b>	<b>(\$15,062)</b>	<b>(\$2,430)</b>	<b>(\$14,428)</b>	<b>(\$48,478)</b>	<b>\$1,847</b>	<b>\$1,116</b>	<b>\$12,234</b>	<b>\$334</b>	<b>\$15,531</b>	<b>\$7,367</b>
% of Revenue	-16.2%	-12.2%	-20.1%	-16.7%	-2.4%	-13.6%	-12.7%	1.9%	1.1%	10.2%	0.3%	3.5%	6.2%

# Adjusted EBITDA Reconciliation

\$Ks

	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22
Net earnings (loss) from continuing operations (GAAP)	\$ (67,299)	\$ (133,947)	\$ (42,140)	\$ (40,202)	\$ (38,040)	\$ (4,879)	\$ (125,261)	\$ (21,728)	\$ (23,968)	\$ (11,725)	\$ (32,847)	\$ (90,268)	\$ 17,365
Income taxes (benefit)	(65,723)	(45,409)	(353)	(5,291)	(287)	(34,345)	(40,276)	(3,816)	(3,109)	(4,142)	(19,465)	(30,532)	(4,365)
Other income (expense)	502	18,790	5,882	4,780	3,158	1,565	15,385	463	(225)	(86)	(404)	(252)	30,601
Loss from operations (GAAP)	(133,524)	(198,146)	(48,375)	(50,273)	(41,485)	(40,789)	(180,922)	(26,007)	(26,852)	(15,781)	(51,908)	(120,548)	(17,601)
Depreciation and amortization	37,647	33,782	8,877	10,977	8,104	7,943	35,901	8,054	6,901	6,509	6,277	27,741	6,585
EBITDA	\$ (95,877)	\$ (164,364)	\$ (39,498)	\$ (39,296)	\$ (33,381)	\$ (32,846)	\$ (145,021)	\$ (17,953)	\$ (19,951)	\$ (9,272)	\$ (45,631)	\$ (92,807)	\$ (11,016)
Other adjustments:													
Non-cash stock compensation	\$ 52,866	\$ 102,721	\$ 18,630	\$ 23,354	\$ 30,295	\$ 17,168	\$ 89,447	\$ 16,485	\$ 24,204	\$ 23,894	\$ 47,124	\$ 111,707	\$ 18,496
Restructuring and merger charges	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)	1,345	2,715	1,278
Separation and transformation	17,786	2,117	-	-	-	-	-	3,605	258	-	-	3,863	-
Adjusted EBITDA	\$ (22,502)	\$ (39,593)	\$ (18,592)	\$ (15,897)	\$ (2,853)	\$ (13,231)	\$ (50,573)	\$ 4,132	\$ 3,892	\$ 14,616	\$ 2,838	\$ 25,478	\$ 8,758

# GAAP to Non-GAAP EPS Reconciliation

\$Ks, except per share amounts

	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22
Loss from continuing ops before income taxes	(\$133,022)	(\$179,356)	\$ (42,493)	\$ (45,493)	\$ (38,327)	(\$39,224)	(\$165,537)	\$ (25,544)	\$ (27,077)	\$ (15,867)	\$ (52,312)	(\$120,800)	\$ 13,000
Income taxes (benefit)	(65,723)	(45,409)	(353)	(5,291)	(287)	(34,345)	(40,276)	(3,816)	(3,109)	(4,142)	(19,465)	(30,532)	(4,365)
<b>Net earnings (loss) from continuing ops (GAAP)</b>	<b>(67,299)</b>	<b>(133,947)</b>	<b>(42,140)</b>	<b>(40,202)</b>	<b>(38,040)</b>	<b>(4,879)</b>	<b>(125,261)</b>	<b>(21,728)</b>	<b>(23,968)</b>	<b>(11,725)</b>	<b>(32,847)</b>	<b>(90,268)</b>	<b>17,365</b>
<b>Earnings (loss) per share:</b>													
Basic	\$ (0.85)	\$ (1.79)	\$ (0.61)	\$ (0.59)	\$ (0.56)	\$ (0.06)	\$ (1.85)	\$ (0.33)	\$ (0.36)	\$ (0.18)	\$ (0.49)	\$ (1.36)	\$ 0.25
Diluted	\$ (0.85)	\$ (1.79)	\$ (0.61)	\$ (0.59)	\$ (0.56)	\$ (0.06)	\$ (1.85)	\$ (0.33)	\$ (0.36)	\$ (0.18)	\$ (0.49)	\$ (1.36)	\$ 0.25
Excluded items:													
Purchased intangible asset amortization (CoR)	23,895	15,858	3,123	5,369	5,369	5,181	19,042	5,306	4,350	4,213	4,177	18,046	4,645
Non-cash stock compensation (CoR & Opex)	52,867	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894	47,124	111,707	18,496
Restructuring & merger charges (gains, losses, & other)	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)	1,345	2,715	1,278
Separation & transformation costs (G&A)	17,786	2,117	-	-	-	-	-	3,605	258	-	-	3,863	-
Accelerated depreciation (CoR & Opex)	-	3,812	1,906	1,663	-	-	3,569	-	-	-	-	-	-
Gain on retained profits interest (other income)	-	-	-	-	-	-	-	-	-	-	-	-	(30,052)
<b>Total excluded items, continuing operations</b>	<b>97,271</b>	<b>144,442</b>	<b>25,935</b>	<b>30,431</b>	<b>35,897</b>	<b>24,796</b>	<b>117,059</b>	<b>27,391</b>	<b>28,193</b>	<b>28,101</b>	<b>52,646</b>	<b>136,331</b>	<b>(5,633)</b>
Loss from continuing operations before income taxes & excluding items	(35,751)	(34,914)	(16,558)	(15,062)	(2,430)	(14,428)	(48,478)	1,847	1,116	12,234	334	15,531	7,367
Income taxes (benefit)	(12,586)	(12,964)	(216)	190	(227)	(11,199)	(11,452)	934	(1,291)	2,347	(2,628)	(638)	865
<b>Non-GAAP earnings (loss) from continuing ops</b>	<b>(23,165)</b>	<b>(21,950)</b>	<b>(16,342)</b>	<b>(15,252)</b>	<b>(2,203)</b>	<b>(3,229)</b>	<b>(37,026)</b>	<b>913</b>	<b>2,407</b>	<b>9,887</b>	<b>2,962</b>	<b>16,169</b>	<b>6,502</b>
Non-GAAP earnings (loss) per share from cont. ops:	\$ (0.29)	\$ (0.29)	\$ (0.24)	\$ (0.23)	\$ (0.03)	\$ (0.05)	\$ (0.55)	\$ 0.01	\$ 0.03	\$ 0.14	\$ 0.04	\$ 0.23	\$ 0.09
Basic weighted average shares	78,891	75,020	68,906	67,684	67,473	66,977	67,760	65,570	66,010	66,523	67,111	66,304	68,328
Diluted weighted average shares	78,891	75,020	71,685	70,092	69,956	68,883	70,154	67,337	68,804	69,775	69,935	68,963	69,605



# Footnotes

<sup>1</sup> Annualized recurring revenue (ARR) is last month of quarter recurring revenue annualized. Recurring revenue is fixed and contracted subscription revenue and does not include any variable or non-recurring revenue amounts. This metric is forward looking and does not factor in potential contraction, nor does it include potential additions to recurring revenue.

<sup>2</sup> Direct client count excludes agency and reseller deployments and Data Marketplace-only customers.

<sup>3</sup> Beginning in Q3'19 we began reporting client count net of client contracts that were absorbed into one large reseller contract with IPG. Historical customer counts net of IPG contracts are: FY16: 258, FY17: 402, FY18: 550, FY19: 665, Q120: 690, Q220: 720, Q320: 770, Q420: 780, Q121: 780, Q221: 795, Q321: 810, Q421: 825, Q122: 855.

<sup>4</sup> \$1M clients are counted as \$250k or more subscription-only revenue in the quarter.

<sup>5</sup> Platform net retention is defined as current quarter subscription and marketplace revenue (net) from customers who have been on the platform for one year or more, divided by the prior year quarter subscription and marketplace revenue (net), inclusive of upsell, churn and downsell.

<sup>6</sup> Non-GAAP financial results represent continuing operations less excluded items (i.e. non-cash stock compensation, purchased intangible asset amortization, accelerated depreciation, restructuring charges and FY22 Q1 investment gain). Excluding these amounts, Q122 non-GAAP gross profit was \$90M, non-GAAP gross margin was 76%, non-GAAP operating income was \$7M and non-GAAP operating margin was 6%.

<sup>7</sup> GAAP net earnings includes a \$30M investment gain reported in other income. The gain is excluded from non-GAAP net earnings.

<sup>8</sup> Fully diluted shares outstanding are used to calculate EPS in periods of profitability. Basic shares outstanding are used to calculate EPS during periods with a net loss.

<sup>10</sup> Subscription net retention is defined as current quarter subscription (net) from customers who have been on the platform for one year or more, divided by the prior year quarter subscription revenue (net), inclusive of upsell, churn and downsell.

<sup>11</sup> "Wholesale contraction" represents \$30M in revenue that will not be recurring in FY22 – associated with a limited number of marketing cloud arrangements.

<sup>12</sup> Growth bookings are defined as the ACV of bookings attributed to new customers and from upsell. It does not include renewal bookings.

<sup>13</sup> Remaining Performance Obligations (RPO) are defined as all future revenue under contract that has not yet been recognized as revenue. Current RPO represents future revenue under contract that is expected to be recognized as revenue in the next 12 months. RPO is influenced by several factors including seasonality, the timing of renewals, average contract terms, and foreign currency exchange rates.

<sup>14</sup> Non-GAAP guidance excludes non-cash stock compensation, purchased intangible asset amortization and restructuring charges

<sup>15</sup> GAAP operating loss guidance subject to final purchase accounting adjustments.