



Q3 FY21 Earnings Slides

February 8, 2021



Cautionary Statement

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, 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 press release, 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.

Best-in-Class SaaS Model

Q3 FY21

**Predictable,
Recurring Revenue**

\$329¹M
ARR
(up 17% YoY)

78%
Subscription
% of
total revenue

**Subscription
Customer Growth**

810^{2,3}
Direct
clients

40
LTM direct
net client
adds

**Land & Expand with
Network Effects**

110%⁴
Platform
net retention

65⁵
\$1M clients

**Profitable
Long-term Model, Non-GAAP**

75%
Long-term
gross margin
target

25%
Long-term
op margin
target

See appendix and accompanying press release for GAAP equivalent metrics

Summary Financial Results

\$Ms, except per share amounts

	GAAP		Non-GAAP ⁶	
	Q321	YoY	Q321	YoY
Revenue	\$120	17%	—	—
Gross profit	\$83	29%	\$88	24%
<i>Gross margin</i>	<i>69%</i>	<i>6 pts</i>	<i>73%</i>	<i>4 pts</i>
Operating income (loss)	(\$16)	<i>nm</i>	\$12	<i>nm</i>
<i>Operating margin</i>	<i>(13%)</i>	<i>27 pts</i>	<i>10%</i>	<i>16 pts</i>
Net earnings (loss)⁷	(\$12)	<i>nm</i>	\$10	<i>nm</i>
EPS	(\$0.18)	<i>nm</i>	\$0.14	<i>nm</i>
Share count ⁸	66.5	(1%)	69.8	3%

Revenue Summary

\$Ms

Revenue by Type	Q321	Q320	YoY
Subscription	\$93	\$82	15%
Marketplace & other	\$26	\$21	27%
Total	\$120	\$102	17%

Revenue by Geography	Q321	Q320	YoY
US	\$112	\$95	18%
International	\$7	\$7	9%
Total	\$120	\$102	17%

Totals may not foot due to rounding.

Cash Flow

\$Ms

	Q321	Q320
Operating cash flow	\$15	\$16
Capital expenditures	(\$1)	(\$3)
Free cash flow	\$14	\$13

Four Corners of Growth

\$Ms, Non-GAAP

1 Subscription Net Retention

	Q320	Q420	Q121	Q221	Q321
Subscription net retention	112%	110%	109%	111%	105%

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

2 Platform Net Retention

	Q320	Q420	Q121	Q221	Q321
Platform net retention	119%	122%	111%	109%	110%

Platform net retention is defined as current period 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) from those customers, inclusive of upsell, churn and downsell.

3 ARR Growth ⁹

	Q320	Q420	Q121	Q221	Q321
ARR	\$281	\$298	\$305	\$318	\$329
YoY %	25%	29%	27%	18%	17%
ARR ex IPG	\$261	\$278	\$285	\$298	\$309
YoY %	28%	31%	30%	19%	20%

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. ARR ex IPG is annualized recurring revenue excluding ARR from Interpublic Group (IPG).

4 TTM Marketplace Revenue Growth

	Q320	Q420	Q121	Q221	Q321
TTM marketplace	\$66	\$75	\$77	\$78	\$84
TTM YoY %	33%	53%	49%	12%	27%

Revenue Summary

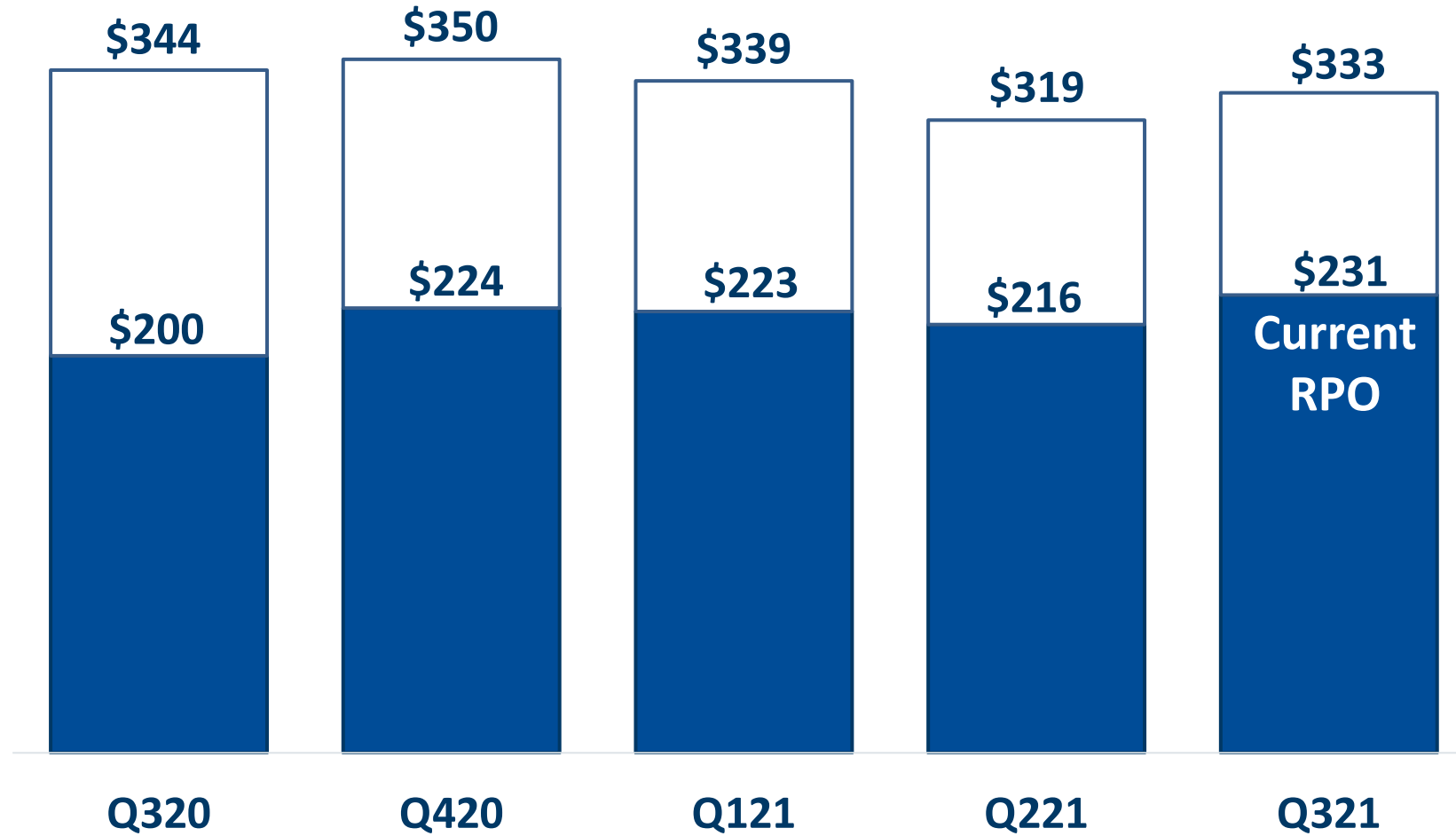
\$Ms

Subscription revenue:	Q320	Q420	Q121	Q221	Q321
Fixed % of total subscription	85%	88%	91%	91%	87%
Usage % of total subscription	15%	12%	9%	9%	13%
Total subscription revenue	\$82	\$84	\$83	\$86	\$93
<i>Y/Y growth</i>	25%	28%	21%	19%	15%
Marketplace & other revenue:					
Data marketplace	\$12	\$15	\$11	\$14	\$20
<i>Y/Y growth</i>	35%	78%	21%	27%	60%
Other revenue	\$8	\$7	\$6	\$5	\$6
<i>Y/Y growth</i>	41%	58%	9%	(33%)	(21%)
Total marketplace & other revenue	\$21	\$22	\$17	\$19	\$26
<i>Y/Y growth</i>	38%	71%	16%	4%	27%
Total revenue	\$102	\$106	\$99	\$105	\$120
<i>Y/Y growth</i>	28%	35%	21%	16%	17%

Totals may not foot due to rounding.

Total Remaining Performance Obligations ¹⁰

\$Ms



Outlook

Q4 & FY21 Outlook

\$Ms

	Q4'FY21		FY21	
	GAAP ¹¹	Non-GAAP ¹²	GAAP	Non-GAAP
Revenue	~\$116	--	~\$440	--
YoY growth %	~10%		~16%	
Operating (loss) income	~(\$31)	~\$1	~(\$101)	~\$16

GAAP to Non-GAAP Reconciliation – FY21 Operating Expenses

\$Ms

	FY21E
GAAP operating expenses	\$ 420
Intangible asset amortization	18
Stock-based compensation	89
Restructuring & transformation costs	10
Total reconciliations	\$ 117
Non-GAAP operating expenses	\$ 303

Other Guidance Items

~Ms

	FY21E
Ongoing stock-based comp	\$56 ¹³
Acquisition-related stock based comp	\$33
Total stock-based comp	\$89 ¹³
Interest income	\$1
Share count (basic)	66
Share count (diluted)	69
Capital spending (% of rev.)	1%

DataFleets Acquisition

DataFleets Acquisition Summary

- LiveRamp announced it has entered into a definitive agreement to acquire DataFleets
- Purchase price: approximately \$68 million in cash plus assumed equity and additional retention incentives
- Expected close: LiveRamp's fiscal Q4 (March 2021 quarter)
- Headquartered in the San Francisco Bay Area, DataFleets is a cloud data platform that enables data silos to be unified without moving data or compromising privacy

Customer needs are changing

Enterprises need maximum flexibility and control over data – wherever it lives

Protect
& unlock
value from
data

Control
who can
access

Analyze
without
moving the
data

Powering next generation data collaboration



Established, global leader in privacy-preserving identity and data collaboration

Advanced set of data protection technologies that can be configured based on business needs

Unlocks new use cases for distributed analytics in Safe Haven and expands market opportunity

Embeds LiveRamp closer to where our customers' data lives

Unlocking new capabilities and use cases



Retail and CPG Measurement

CPGs can measure the impact of their digital campaigns on sales without retail partners having to expose or move any underlying data.



TV Measurement

Content creators can combine audience data with TV viewership data from OTT/CTV partners to better monetize their programming without requiring their partners' data move.



Global Enterprise Analytics

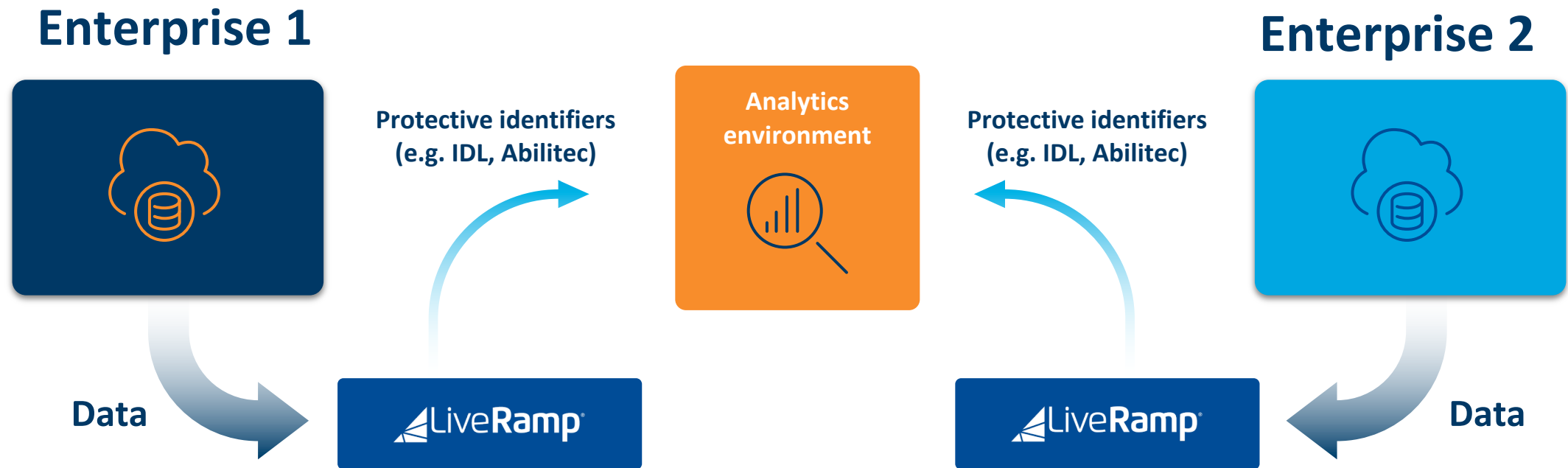
Multinational enterprises can analyze data sets across geographies and business units while adhering to local regulatory requirements that limit the movement of data cross borders.



Personalized Offerings within Health Plans

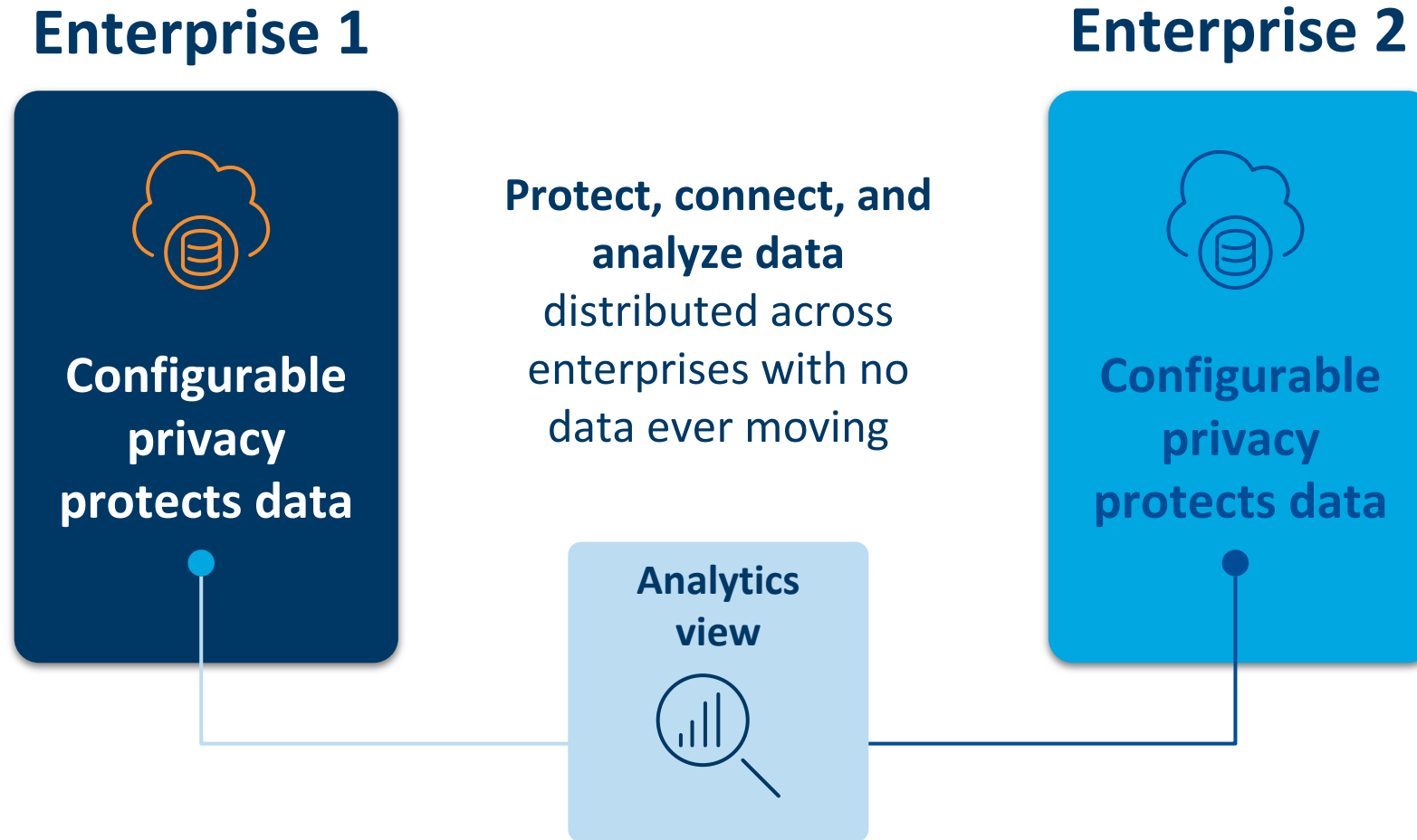
Healthcare providers can recommend preventative care & lifestyle changes within a patient's existing healthcare plan based on ML-based risk models trained on demographics & purchase behaviors.

How it works today – centralization



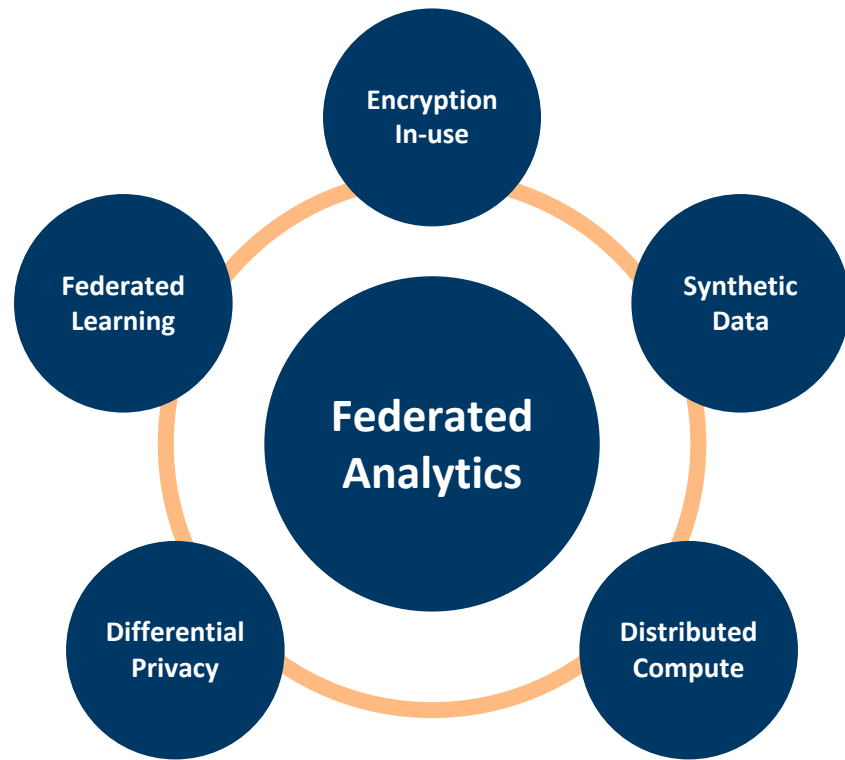
Distributed data collaboration

Leveraging federated learning and moving computing to the edge



DataFleets' holistic approach – integrating multiple privacy-preserving technologies

Providing customers with **flexibility to configure based on business needs**, removing the need to compromise data security and privacy with data utility



 + 



Speed



Simplicity



Utility



Multi-party



Privacy



Security

Appendix

GAAP to Non-GAAP Reconciliation

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

	FY 17 ¹⁴	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21
Total Revenue	\$ 174,760	\$ 220,101	\$ 285,620	\$ 82,511	\$ 90,143	\$ 102,217	\$ 105,701	\$ 380,572	\$ 99,437	\$ 104,661	\$ 119,753
Gross Profit (GAAP)	\$ 74,784	\$ 123,705	\$ 164,902	\$ 46,085	\$ 48,683	\$ 64,251	\$ 68,849	\$ 227,868	\$ 64,972	\$ 69,764	\$ 82,668
% of Revenue	42.8%	56.2%	57.7%	55.9%	54.0%	62.9%	65.1%	59.9%	65.3%	66.7%	69.0%
Excluded items:											
Purchased intangible asset amortization	18,618	23,895	15,858	3,123	5,369	5,369	5,181	19,042	5,306	4,350	4,213
Non-cash stock compensation	4,318	2,651	4,708	755	1,060	1,028	926	3,769	775	913	988
Accelerated depreciation	-	-	2,972	1,487	1,245	-	-	2,732	-	-	-
Gross Profit - Non-GAAP	\$ 97,720	\$ 150,251	\$ 188,441	\$ 51,450	\$ 56,357	\$ 70,648	\$ 74,956	\$ 253,411	\$ 71,053	\$ 75,027	\$ 87,869
% of Revenue	56%	68.3%	66.0%	62.4%	62.5%	69.1%	70.9%	66.6%	71.5%	71.7%	73.4%
R&D (GAAP)	\$ 49,367	\$ 60,713	\$ 85,697	\$ 23,722	\$ 26,445	\$ 27,403	\$ 28,411	\$ 105,981	\$ 26,989	\$ 31,035	\$ 30,608
% of Revenue	28.2%	27.6%	30.0%	28.8%	29.3%	26.8%	26.9%	27.8%	27.1%	29.7%	25.6%
Excluded items:											
Non-cash stock compensation	10,513	15,644	28,225	4,451	6,346	6,462	6,001	23,260	5,886	7,713	7,376
R&D - Non-GAAP	\$ 38,854	\$ 45,069	\$ 57,473	\$ 19,271	\$ 20,099	\$ 20,941	\$ 22,410	\$ 82,721	\$ 21,103	\$ 23,322	\$ 23,232
% of Revenue	23.8%	20.5%	20.1%	23.4%	22.3%	20.5%	21.2%	29.0%	21.2%	22.3%	19.4%
S&M (GAAP)	\$ 59,258	\$ 108,639	\$ 158,540	\$ 43,144	\$ 45,204	\$ 51,993	\$ 48,564	\$ 188,905	\$ 38,627	\$ 41,705	\$ 43,904
% of Revenue	33.9%	49.4%	55.5%	52.3%	50.1%	50.9%	45.9%	49.6%	38.8%	39.8%	36.7%
Excluded items:											
Non-cash stock compensation	7,493	23,381	43,970	8,920	9,758	15,670	3,678	38,026	7,123	9,233	9,212
S&M - Non-GAAP	\$ 51,765	\$ 85,258	\$ 114,570	\$ 34,224	\$ 35,446	\$ 36,323	\$ 44,886	\$ 150,879	\$ 31,504	\$ 32,472	\$ 34,692
% of Revenue	29.6%	38.7%	40.1%	41.5%	39.3%	35.5%	42.5%	39.6%	31.7%	31.0%	29.0%
G&A (GAAP)	\$ 92,898	\$ 85,154	\$ 98,878	\$ 25,318	\$ 27,262	\$ 26,107	\$ 30,216	\$ 108,903	\$ 23,368	\$ 24,495	\$ 23,943
% of Revenue	53.2%	38.7%	34.6%	30.7%	30.2%	25.5%	28.6%	28.6%	23.5%	23.4%	20.0%
Excluded items:											
Non-cash stock compensation	17,471	11,192	25,818	4,504	6,190	7,135	6,563	24,392	2,701	6,345	6,318
Separation & transformation costs	8,639	17,786	2,117	-	-	-	-	-	3,605	258	-
Accelerated depreciation	-	-	840	419	418	-	-	837	-	-	-
G&A - Non-GAAP	\$ 66,789	\$56,176	\$70,102	\$ 20,395	\$ 20,654	\$ 18,972	\$ 23,653	\$ 83,674	\$ 17,062	\$ 17,892	\$ 17,625
% of Revenue	38.2%	25.5%	24.5%	24.7%	22.9%	18.6%	22.4%	22.0%	17.2%	17.1%	14.7%

GAAP to Non-GAAP Reconciliation

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

	FY 17	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21
Total Revenue	\$ 174,760	\$ 220,101	\$ 285,620	\$ 82,511	\$ 90,143	\$ 102,217	\$ 105,701	\$ 380,572	\$ 99,437	\$ 104,661	\$ 119,753
Loss from operations (GAAP)	\$ (131,412)	\$ (133,524)	\$ (198,146)	\$ (48,375)	\$ (50,273)	\$ (41,485)	\$ (40,789)	\$ (180,922)	\$ (26,007)	\$ (26,852)	\$ (15,781)
<i>% of Revenue</i>	-75.2%	-60.7%	-69.4%	-58.6%	-55.8%	-40.6%	-38.6%	-47.5%	-26.2%	-25.7%	-13.2%
Excluded items:											
Purchased intangible asset amortization	\$ 18,618	\$ 23,895	\$ 15,858	\$ 3,123	\$ 5,369	\$ 5,369	\$ 5,181	\$ 19,042	\$ 5,306	\$ 4,350	\$ 4,213
Non-cash stock compensation	39,795	52,866	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894
Restructuring & merger charges	4,672	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)
Separation & transformation costs	8,639	17,786	2,117	-	-	-	-	-	3,605	258	-
Accelerated depreciation	-	-	3,812	1,906	1,663	-	-	3,569	-	-	-
Income (loss) from operations - Non-GAAP	\$ (59,688)	\$ (36,254)	\$ (53,704)	\$ (22,440)	\$ (19,842)	\$ (5,588)	\$ (15,993)	\$ (63,863)	\$ 1,384	\$ 1,341	\$ 12,320
<i>% of Revenue</i>	-34.2%	-16.5%	-18.8%	-27.2%	-22.0%	-5.5%	-15.1%	-16.8%	1.4%	1.3%	10.3%
Loss from continuing ops before tax (GAAP)	(\$130,760)	(\$133,022)	(\$179,356)	(\$42,493)	(\$45,493)	(\$38,327)	(\$39,224)	(\$165,537)	(\$25,544)	(\$27,077)	(\$15,867)
Excluded items:											
Purchased intangible asset amortization	\$ 18,618	\$ 23,895	\$ 15,858	\$ 3,123	\$ 5,369	\$ 5,369	\$ 5,181	\$ 19,042	\$ 5,306	\$ 4,350	\$ 4,213
Non-cash stock compensation	39,795	52,866	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894
Restructuring & merger charges	4,672	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)
Separation & transformation costs	8,639	17,786	2,117	-	-	-	-	-	3,605	258	-
Accelerated depreciation	-	-	3,812	1,906	1,663	-	-	3,569	-	-	-
Income / (loss) from continuing ops before tax - Non-GAAP	(\$59,036)	(\$35,752)	(\$34,914)	(\$16,558)	(\$15,062)	(\$2,430)	(\$14,428)	(\$48,478)	\$1,847	\$1,116	\$12,234
<i>% of Revenue</i>	-33.8%	-16.2%	-12.2%	-20.1%	-16.7%	-2.4%	-13.6%	-12.7%	1.9%	1.1%	10.2%

Adjusted EBITDA Reconciliation

\$Ks

	FY 17	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21
Net earnings (loss) from continuing operations (GAAP)	\$ (85,576)	\$ (67,299)	\$ (133,947)	\$ (42,140)	\$ (40,202)	\$ (38,040)	\$ (4,879)	\$ (125,261)	\$ (21,728)	\$ (23,968)	\$ (11,725)
Income taxes (benefit)	(45,184)	(65,723)	(45,409)	(353)	(5,291)	(287)	(34,345)	(40,276)	(3,816)	(3,109)	(4,142)
Other income (expense)	652	502	18,790	5,882	4,780	3,158	1,565	15,385	463	(225)	(86)
Loss from operations (GAAP)	(131,412)	(133,524)	(198,146)	(48,375)	(50,273)	(41,485)	(40,789)	(180,922)	(26,007)	(26,852)	(15,781)
Depreciation and amortization	29,848	37,647	33,782	8,877	10,977	8,104	7,943	35,901	8,054	6,901	6,485
EBITDA	\$ (101,564)	\$ (95,877)	\$ (164,364)	\$ (39,498)	\$ (39,296)	\$ (33,381)	\$ (32,846)	\$ (145,021)	\$ (17,953)	\$ (19,951)	\$ (9,296)
Other adjustments:											
Non-cash stock compensation	\$ 39,772	\$ 52,866	\$ 102,721	\$ 18,630	\$ 23,354	\$ 30,295	\$ 17,168	\$ 89,447	\$ 16,485	\$ 24,204	\$ 23,894
Restructuring and merger charges	4,753	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)
Separation and transformation	8,639	17,786	2,117	-	-	-	-	-	3,605	258	-
Adjusted EBITDA	\$ (48,400)	\$ (22,502)	\$ (39,593)	\$ (18,592)	\$ (15,897)	\$ (2,853)	\$ (13,231)	\$ (50,573)	\$ 4,132	\$ 3,892	\$ 14,592

GAAP to Non-GAAP EPS Reconciliation

\$Ks, except per share amounts

	FY 17	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21
Loss from continuing ops before income taxes	(\$130,760)	(\$133,022)	(\$179,356)	\$ (42,493)	\$ (45,493)	\$ (38,327)	(\$39,224)	(\$165,537)	\$ (25,544)	\$ (27,077)	\$ (15,867)
Income taxes (benefit)	(45,184)	(65,723)	(45,409)	(353)	(5,291)	(287)	(34,345)	(40,276)	(3,816)	(3,109)	(4,142)
Net earnings (loss) from continuing ops (GAAP)	(85,576)	(67,299)	(133,947)	(42,140)	(40,202)	(38,040)	(4,879)	(125,261)	(21,728)	(23,968)	(11,725)
Earnings (loss) per share:											
Basic	\$ (1.16)	\$ (0.85)	\$ (1.79)	\$ (0.61)	\$ (0.59)	\$ (0.56)	\$ (0.06)	\$ (1.85)	\$ (0.33)	\$ (0.36)	\$ (0.18)
Diluted	\$ (1.16)	\$ (0.85)	\$ (1.79)	\$ (0.61)	\$ (0.59)	\$ (0.56)	\$ (0.06)	\$ (1.85)	\$ (0.33)	\$ (0.36)	\$ (0.18)
Excluded items:											
Purchased intangible asset amortization (CoR)	18,618	23,895	15,858	3,123	5,369	5,369	5,181	19,042	5,306	4,350	4,213
Non-cash stock compensation (CoR & Opex)	39,795	52,867	102,722	18,630	23,354	30,295	17,168	89,447	16,485	24,204	23,894
Restructuring & merger charges (gains, losses, & other)	4,672	2,723	19,933	2,276	45	233	2,447	5,001	1,995	(619)	(6)
Separation & transformation costs (G&A)	8,639	17,786	2,117	-	-	-	-	-	3,605	258	-
Accelerated depreciation (CoR & Opex)	-	-	3,812	1,906	1,663	-	-	3,569	-	-	-
Total excluded items, continuing operations	71,724	97,271	144,442	25,935	30,431	35,897	24,796	117,059	27,391	28,193	28,101
Loss from continuing operations before income taxes & excluding items	(59,036)	(35,751)	(34,914)	(16,558)	(15,062)	(2,430)	(14,428)	(48,478)	1,847	1,116	12,234
Income taxes (benefit)	(22,797)	(12,586)	(12,964)	(216)	190	(227)	(11,199)	(11,452)	934	(1,291)	2,347
Non-GAAP earnings (loss) from continuing ops	(36,239)	(23,165)	(21,950)	(16,342)	(15,252)	(2,203)	(3,229)	(37,026)	913	2,407	9,887
Non-GAAP earnings (loss) per share from cont. ops:											
Basic	\$ (0.47)	\$ (0.29)	\$ (0.29)	\$ (0.24)	\$ (0.23)	\$ (0.03)	\$ (0.05)	\$ (0.55)	\$ 0.01	\$ 0.04	\$ 0.15
Diluted	\$ (0.47)	\$ (0.29)	\$ (0.29)	\$ (0.24)	\$ (0.23)	\$ (0.03)	\$ (0.05)	\$ (0.55)	\$ 0.01	\$ 0.03	\$ 0.14
Basic weighted average shares	77,609	78,891	75,020	68,906	67,684	67,473	66,977	67,760	65,570	66,010	66,523
Diluted weighted average shares	77,609	78,891	75,020	68,906	67,684	67,473	66,977	67,760	67,337	68,804	69,775

Footnotes

¹ 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.

² Direct client count excludes agency and reseller deployments and Data Marketplace-only customers.

³ 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.

⁴ 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.

⁵ \$1M clients are counted as \$250k or more subscription-only revenue in the quarter.

⁶ Non-GAAP financial results represent continuing operations less excluded items (i.e. non-cash stock compensation, purchased intangible asset amortization, accelerated depreciation and restructuring charges). Excluding these amounts, Q321 non-GAAP gross profit was \$88M, non-GAAP gross margin was 73%, non-GAAP operating income was \$12M and non-GAAP operating margin was 10%.

⁷ Net loss includes a \$4 million tax benefit largely as a result of loss carryback provisions of the CARES Act. Full year FY21 effective non-GAAP tax rate is expected to be 15%.

⁸ 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.

⁹ IPG contribution to ARR has been updated to exactly \$20.0M. Historic ARR values may change due to adjustments in categorization of subscription bookings.

¹⁰ 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.

¹¹ GAAP operating loss guidance subject to final purchase accounting adjustments.

¹² Non-GAAP guidance excludes non-cash stock compensation, purchased intangible asset amortization, restructuring charges and transformation costs.

¹³ FY 21 stock-based compensation amounts do not assume tax planning strategies that could accelerate SBC or an SBC increase associated with the DataFleets acquisition.

¹⁴ FY 17 results include \$20 million in revenue and \$1 million of loss from operations related to Acxiom Impact divested in 2016.