



# Q3 2019 Earnings Presentation

NASDAQ: HEAR

November 7, 2019



## **Forward-Looking Information**

This presentation includes forward-looking information and statements within the meaning of the federal securities laws. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events. Statements containing the words “may”, “could”, “continue”, “would”, “should”, “believe”, “expect”, “anticipate”, “plan”, “goal”, “estimate”, “accelerate”, “target”, “project”, “intend” and similar expressions constitute forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Forward-looking statements are based on management’s current belief, as well as assumptions made by, and information currently available to, management. While the Company believes that its expectations are based upon reasonable assumptions, there can be no assurances that its goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. Some of these factors include, but are not limited to, risks related to the substantial uncertainties inherent in the acceptance of existing and future products, the difficulty of commercializing and protecting new technology, the impact of competitive products and pricing, general business and economic conditions, risks associated with the expansion of our business including the implementation of any businesses we acquire, the integration of such businesses within our internal control over financial reporting and operations, our indebtedness, the Company’s liquidity, and other factors discussed in our public filings, including the risk factors included in the Company’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q and the Company’s other periodic reports. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, the Company is under no obligation to publicly update or revise any forward-looking statement after the date of this release whether as a result of new information, future developments or otherwise. This presentation also contains trademarks and trade names that are property of their respective owners.

## **Non-GAAP Financial Measures**

This presentation contains certain financial measures, including adjusted EBITDA, adjusted net income and constant currency revenue, that the Securities and Exchange Commission defines as “non-GAAP financial measures.” Management believes that such non-GAAP financial measures, when read in conjunction with the Company’s reported results, can provide useful supplemental information for investors analyzing period-to-period comparisons of the Company’s results. “Adjusted Net Income” is defined as net income excluding integration and transaction costs related to the acquisition of the ROCCAT business and excluding the effect of the mark-to-market requirement of the financial instrument obligation. “Adjusted EBITDA” is defined by the Company as net income (loss) before interest, taxes, depreciation and amortization, stock-based compensation (non-cash), and certain special items that we believe are not representative of core operations (e.g., the integration and transaction costs related to the ROCCAT acquisition and the mark-to-market adjustment for the financial instrument obligation and). “Constant currency revenue” is defined by the Company as revenue excluding the impacts of fluctuations in exchange rates from prior periods. These non-GAAP financial measures are presented because management uses non-GAAP financial measures to evaluate the Company’s operating performance, to perform financial planning, and to determine incentive compensation. Therefore, the Company believes that the presentation of non-GAAP financial measures provides useful supplementary information to, and facilitates additional analysis by, investors. The presented non-GAAP financial measures exclude items that management does not believe reflect the Company’s core operating performance because such items are inherently unusual, non-operating, unpredictable, non-recurring, or non-cash. See a reconciliation of non-GAAP results for the three and nine months ended September 30, 2019 and 2018 in the appendix.

- Net revenue of \$46.7M (\$47.1M constant currency)
- Gross margin of 32.2%
- Net loss of \$3.1M, or \$(0.22) per share
- Adjusted EBITDA of \$0.3M
- Console market tracking roughly as expected
- Good progress in PC market with ROCCAT products now added to portfolio
- *Since share repurchase program announced on April 10, 2019, ~206,000 shares repurchased for \$1.9M, or \$9.43 per share*



Shown: **Stealth 600** – The best-selling wireless gaming headset for Xbox One for over two years.

*Recon Spark*



- Entry-level wired gaming headset with Turtle Beach's unique *Spark* color treatment.
- Works with Xbox One, PS4™, Nintendo Switch™, PC and mobile devices.
- MSRP \$49.95, launched late July.
- Limited-time exclusive with Target stores and at [www.turtlebeach.com](http://www.turtlebeach.com) in North America.



**REVIEW SCORE = 9/10:**

***"YOU'LL STRUGGLE TO FIND A BETTER LOOKING, BETTER QUALITY HEADSET IN THIS PRICE RANGE."***

**HARDCORE GAMER**

***"IF THERE IS A PASSIVE HEADSET THAT IS BETTER OPTIMIZED FOR SURROUND SOUND AT THIS PRICE POINT I HAVEN'T HEARD OF IT."***

*Elite Atlas Aero*



- Premium wireless PC headset featuring Turtle Beach's all-new *Control Studio™* software with Waves Nx® 3D Audio technology.
- Designed for maximum comfort and durability with our signature, premium audio quality.
- Features powerful 50mm *Nanoclear™* speakers, *Aerofit™* cooling memory foam ear cushions, and our patented *Superhuman Hearing®* and *ProSpecs™* glasses friendly design.
- MSRP \$149.95, launched globally in September.



heavy.

REVIEW SCORE = 5/5

*"ONE OF 2019'S BEST AUDIO ACCESSORIES."*

tom's guide

REVIEW SCORE = 4/5

EDITOR'S CHOICE DESIGNATION

*"THE ELITE ATLAS AERO IS A GOOD REMINDER OF HOW TURTLE BEACH BECAME SUCH A POWERHOUSE IN THE GAMING HEADSET SPACE."*

gamesradar+

REVIEW SCORE = 4.5/5

*"THE ELITE ATLAS AERO IS TRULY FOR THE DEDICATED PLAYER WHO INCORPORATES AUDIO AS A VITAL PART OF THEIR GAME."*

*Vulcan 122 AIMO* (in Arctic White)

REVIEW SCORE = 5/5

**"ONE OF THE BEST GAMING  
KEYBOARDS WE'VE EVER USED."**



- Two new models of ROCCAT's groundbreaking ***Vulcan 120 AIMO*** mechanical gaming keyboard recently named a 2019 Best Gaming Keyboard by Wired.
- ***Vulcan 120 AIMO*** and ***121 AIMO*** introduce *Titan Tactile* and *Titan Speed* mechanical switches for 20-30% increased response time.
- ***Vulcan 122 AIMO*** introduces new Arctic White color model.
- All featuring ROCCAT's AIMO organic lighting system.
- MSRP of \$159.99, launched in September.



- Three new models of ROCCAT's *Kain* PC gaming mouse.
- Entry-level *Kain 100 AIMO*, upgraded sensor variant *Kain 120 AIMO*, and the wireless *Kain 200 AIMO*.
- Born from ROCCAT's vision to create a PC gaming mouse with the perfect click.
- Introduces *Titan Click* – ROCCAT's all-new click mechanism engineered to unlock accurate, faster, more responsive controls.
- MSRP starting at \$49.99, launched starting in September.



**PC GAMER**

**REVIEW SCORE = 85/100**  
**"IT LOOKS FANTASTIC, IT FEELS BRILLIANT, AND PERFORMS WELL."**

**PCGamesN**

**REVIEW SCORE = 8/10**  
**"LIGHTWEIGHT, ACCURATE, AND SUPER-RESPONSIVE."**

*Kone Pure Ultra* (in Arctic White)



- Ultralight PC gaming mouse.
- At only 66 grams, one of the lightest mice while still being fully ergonomic (and without exterior holes).
- Features ROCCAT's Owl Eye 16K dpi sensor, Titan Wheel, AIMO illumination, plus a special coating for improved grip/durability.
- MSRP of \$69.99, launched September, including in Asia (where ultralight mice are big)

**EUROGAMER**

**2019 BEST ULTRA-LIGHT GAMING MOUSE**  
***"IF YOU HATE THE LOOK OF HOLEY MICE,  
WHETHER THROUGH GENUINE  
TRYPOPHOBIA OR JUST PREFERENTIALLY,  
THIS IS THE ULTRA-LIGHT FOR YOU.***

Turtle Beach continues building and maintaining a highly curated list of gaming, esports and pop culture athletes, streamers, personalities and brand partners.

## **EXTENDED PARTNERSHIP WITH DR DISRESPECT: STREAMER/ INFLUENCER/ 2X CHAMPION**



- One of world's most popular live streamers.
- Largest Twitch live audience for Call of Duty w/over 1.3 million hours watched during Modern Warfare launch week.
- Partnership with Doc now covers console and PC accessories (*was formerly just console headsets*).

## **NEW PARTNERSHIP WITH NFL/LA CHARGERS: MELVIN INGRAM & ISAAC ROCHELLE**



- Bringing these athletes' gaming passion to our content and stories in 2019 and 2020.

## **NEW PARTNERSHIPS WITH INT'L SOCCER SUPERSTARS: KEVIN DE BRUYNE & ROMELU LUKAKU**



- Avid gamers, De Bruyne and Lukaku join NBA stars Josh Hart, PJ Washington and Kevin Porter Jr., as well as Melvin Ingram & Isaac Rochelle of the NFL's LA Chargers in Turtle Beach's roster of top athlete gamers.

## EXCLUSIVE GAMING PARTNER OF JAY Z'S MADE IN AMERICA FESTIVAL

*HELD AUG. 31 – SEPT. 1, 2019 IN PHILADELPHIA*



- Extensive content created from a backstage custom gaming lounge that drew in talent throughout the festival.



## EXCLUSIVE GAMING PARTNER OF THE SUPERGIRL SURFPRO/GAMER PRO FESTIVAL

*HELD JULY 26-28, 2019 IN OCEANSIDE*



- Largest female surf competition in the world and a festival focusing on female empowerment in gaming.
- Turtle Beach sponsored the event to support the *Recon Spark* launch.

## TIDAL MUSIC STREAMING PARTNERSHIP

*FREE SUBSCRIPTIONS W/PURCHASE AT [TB.COM](https://turtlebeach.com)*



- Partnered with TIDAL for exclusive free streaming offers on all headsets sold through end January 2020 on [turtlebeach.com](https://turtlebeach.com).
- Bringing gaming to TIDAL X event and on the TIDAL platform with our partners.

# QUARTERLY FINANCIAL OVERVIEW



	2018	2019	<b>Commentary</b>
\$ in millions (except per-share data)	Q3	Q3	
<b>Revenue</b>	<b>\$74.4</b>	<b>\$46.7</b> <small>\$47.1 constant currency</small>	Slightly ahead of expectations. Highest Q3 revenue other than 2018, as expected, given record new headset users driven by Battle Royale games last year.
<b>Gross Margin</b>	<b>41.0%</b>	<b>32.2%</b>	More normal level of promo activity compared to '18 when less promo necessary given record demand, revenue-driven operating leverage, product mix, ROCCAT purchase inventory accounting.
Operating Expenses	\$14.0	\$17.6	Incremental ROCCAT operating costs & acquisition integration costs (as expected), digital marketing & sponsorship initiatives.
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$17.6</b>	<b>\$0.3</b>	Reflects above factors.
Net Income (Loss)	\$14.9	\$(3.1)	Lower gross profit due to revenue decline and ROCCAT related increase in OpEx.
<b>Diluted EPS</b>	<b>\$0.91</b>	<b>\$(0.22)</b>	14.5M weighted average diluted shares in Q3-19 vs. 16.2M in Q3-18.
Adjusted Diluted EPS <sup>1</sup>	\$0.91	\$(0.18)	Reflects above factors. Excludes ROCCAT transaction and integration expenses.

1. See appendix for a reconciliation of non-GAAP measures.

Capitalization		
	At 9-30-18	At 9-30-19
Cash & Equivalents	\$6.2M	\$7.0M
Debt Principal		
Revolver (asset-based)	\$3.5M	\$26.6M
Term Loans	\$12.5M	–
Subordinated Notes	\$15.4M	–
<b>Total Debt</b>	<b>\$31.4M</b>	<b>\$26.6M</b>
<b>Leverage Ratio<sup>1</sup></b>	<b>0.4x</b>	<b>0.4x</b>

Balance Sheet Improvements
<ul style="list-style-type: none"> <li>Renegotiated revolver in Dec 2018, reducing interest rates and extending term to March 2024.</li> <li>Fully repaid all term loans and subordinated notes in Dec 2018 with operating cash flow.</li> <li>ROCCAT purchase price of \$12.7M funded with cash and borrowings under revolver.</li> <li>Repurchased ~206,000 shares for \$1.9M, or \$9.43 per share since Apr 2019.</li> </ul>

1. Defined as total term loans outstanding and average trailing twelve month revolving debt, divided by consolidated trailing twelve month adjusted EBITDA.

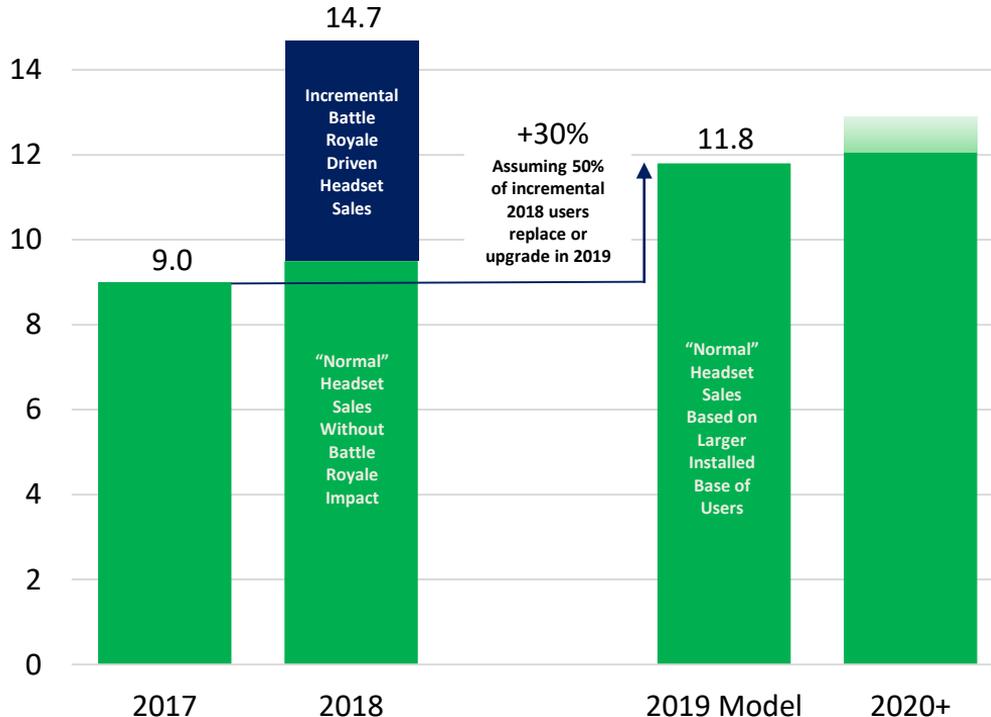
# ANTICIPATED CONSOLE HEADSET MARKET DYNAMICS IN 2019



## Simplified Market Model<sup>1</sup>

US & Canada Console Gaming Headset Sell-Through

Millions of Units



Installed base of console headset users grew significantly in 2018 driven by Battle Royale games

Recent survey results indicate consumer intent to upgrade/replace <24-month cycle (with wide distribution around that average)

Biggest drivers of potential increase from 2019 model estimates are:

- Faster upgrade/replace cycle among new headset users
- Discount console prices in last holiday before new gen consoles
- Stronger performance of Q4 games/major games going “free”

Biggest drivers of potential decrease from 2019 model estimates are:

- Slower upgrade/replace cycle among new headset users
- Weaker performance of Q4 games than expected
- Market slowdown due to new console announcements

Market sell-in revenues (sales) will vary from sell-through units based on channel inventory adjustments to hold weeks-of-supply and ASP of product sales

1. This is a highly simplified market model to illustrate overall dynamics as presented with original annual guidance - actual market dynamics are much more complex than shown.

Source: The NPD Group/Retail Tracking Service/Video Games/Dollars/U.S. & Canada

Gen 7 Xbox (Nov 2013)



Gen 8 Xbox (2020)



## Project Scarlett (announced at E3 2019)

**Release:** Holiday 2020 (expected November)

**Price:** Unknown

- Backward compatible with Xbox One
- Major power increase/faster game access/reduced load times
- Will support up to 8k resolution
- Still play discs/not completely online
- Game Pass subscription service is key/access to AAA games
- Project xCloud game streaming service
- Beefed up Game Studio acquisition for exclusive development
- Custom Zen 2 AMD chip

Gen 7 PlayStation (Nov 2013)



Gen 8 PlayStation (2020)



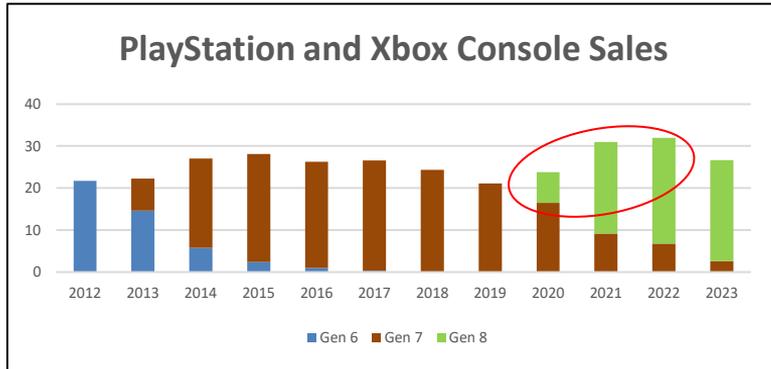
## PlayStation 5/PS5 (announced in April 2019)

**Release:** Holiday 2020 (expected November)

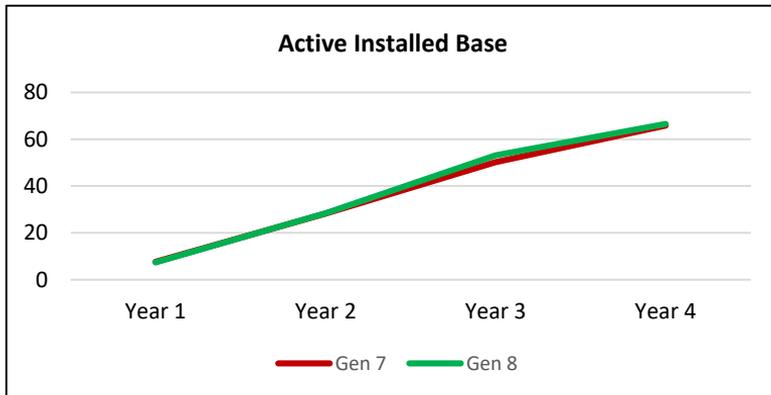
**Price:** \$499 (unconfirmed)

- Backwards compatible with PS4
- Major power increase/faster game access/reduced load times
- Will support up to 8k resolution
- Significant focus on high-quality, immersive 3D audio
- Still play discs/not completely online
- Ray tracing technology
- PlayStation Now streaming/focus on AAA titles
- AMD 8-core chip based on third generation Ryzen line with 7nm Zen 2

**“With the launch of new systems and continued sales for existing console we forecast Microsoft and Sony combined hardware sales will set records in 2021 and 2022”** David Cole, Head DFC Intelligence, Video games industry analyst



Source : DFC Intelligence September 2019 Worldwide Video Game Market Forecasts; Hardware unit sales (In Millions)



Source : DFC Intelligence September 2019 Worldwide Video Game Market Forecasts; Active Installed Base (In Millions). Year 1 for Gen 7 : 2013 & Year 1 for Gen 8 : 2020

- Console transition has typically created a market decline the year prior to transition, an increase late in the year of new console launch, and then several years of accelerated growth post-launch
- Accessories typically also follow same pattern with some lag as some users will wait on new accessory purchases, particularly at the high-end prior to launch and then upgrading accelerates post-launch
- DFC predicts the combined XB and PS hardware unit sales for Gen 7 and Gen 8 in the first 3 years of launch to be higher than the combined sales of Gen 6 and Gen 7 in the first 3 years, setting another record
- Active Installed Base (AIB) of Gen 8 in the first 4 years of launch is expected to be slightly higher than AIB of Gen 7
- Nintendo is not included; a new system core from Nintendo could substantially increase overall market potential

	2019 <i>(Prior)</i>	2019 <i>(Revised)</i>	Comments
<b>Net Revenue</b>	\$240M- \$248M	\$236M- \$242M	Narrowed range with slightly reduced midpoint reflecting ROCCAT at lower end of \$16-20M range due to close timing and channel inventory alignment.
<b>Gross Margin</b>	33%-34%	33%-34%	Within range but slightly lower end of range due to \$1-\$1.5M tariff impact.
<b>Adj. EBITDA</b>	\$27M- \$31M	\$23M- \$25M	Includes above tariff impact and decision to increase marketing and promotional investments in Q4 to drive brand and products.
<b>Diluted Shares</b>	15.7M	15.7M	
<b>GAAP EPS<sup>2</sup></b>	\$0.70- \$0.90	\$0.50- \$0.60	Reflects above factors plus higher estimated tax rate of 19%.
<b>Adj. EPS<sup>2</sup></b>	\$0.90- \$1.10	\$0.65- \$0.75	Reflects above factors. Excludes ROCCAT transaction & integration costs.

## Overall Console Headset Market Assumptions:

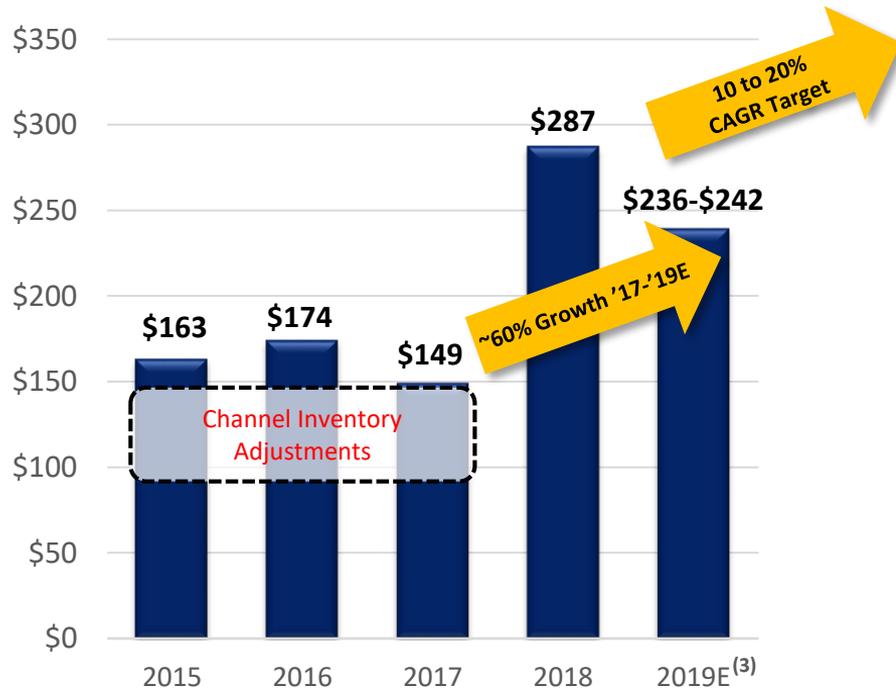
- Influx of new gaming headset users and upgrade/replace cycle reflect normal historical patterns (no “Fortnite effect” added)
- Console prices are discounted in final holiday before new launches creating holiday sales as % of full year sales similar to last transition (2012)
- Holiday AAA game launches are weaker than 2018 but COD: Modern Warfare launch is very strong
- Tariffs that were increased to 15% as of September 1 were partially mitigated but leave \$1-\$1.5M impact in 2019

1. Guidance updated on November 7, 2019.

2. Include \$1.2M in costs for purchase accounting step-up on acquired ROCCAT inventory.

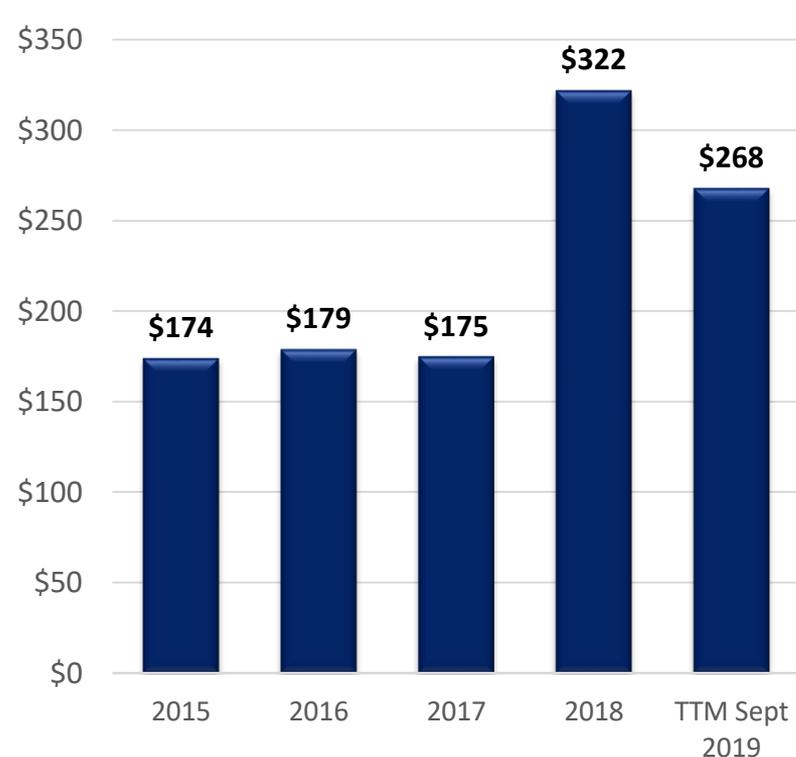
## Company Revenues <sup>(1)</sup>

Millions



## Company Product Retail Sell-Through in US & Canada Markets <sup>(2)</sup>

Millions



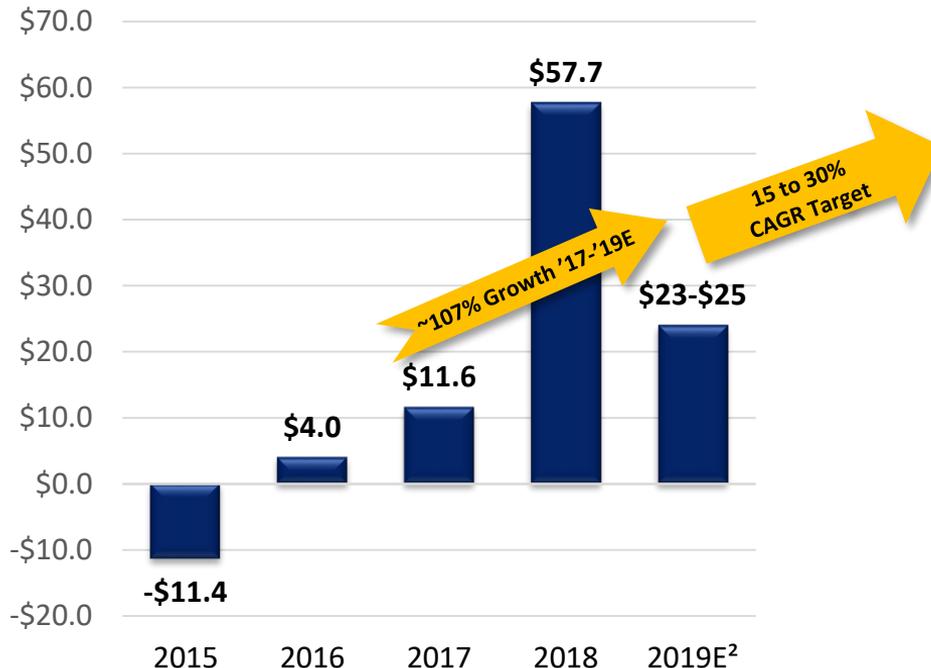
1. Company net revenues = wholesale revenues so not directly comparable to retail revenues in the chart on the right – shown just for perspective given channel inventory impacts on company net revenues.

2. The NPD Group/Retail Tracking Service/Video Games/Dollars/U.S. & Canada/CY2015, CY2016, CY2017, CY2018, and Trailing Twelve Months Oct 2018-Sept 2019.

3. Guidance updated on November 7, 2019.

## Adjusted EBITDA<sup>1</sup>

Millions



### 2016:

Returned headset business to profitability. Converted HyperSound to licensing model. Entered esports, VR, streaming mic categories.

### 2017:

Focused on core headset business and continued profitability improvements. Positioned the Company for improved balance sheet and loan terms. Laid groundwork for 2018+ growth initiatives.

### 2018:

Continued to deliver increased profitability. Lowered cost and paid off debt. Made select investments to drive future growth.

### 2019 & Beyond:

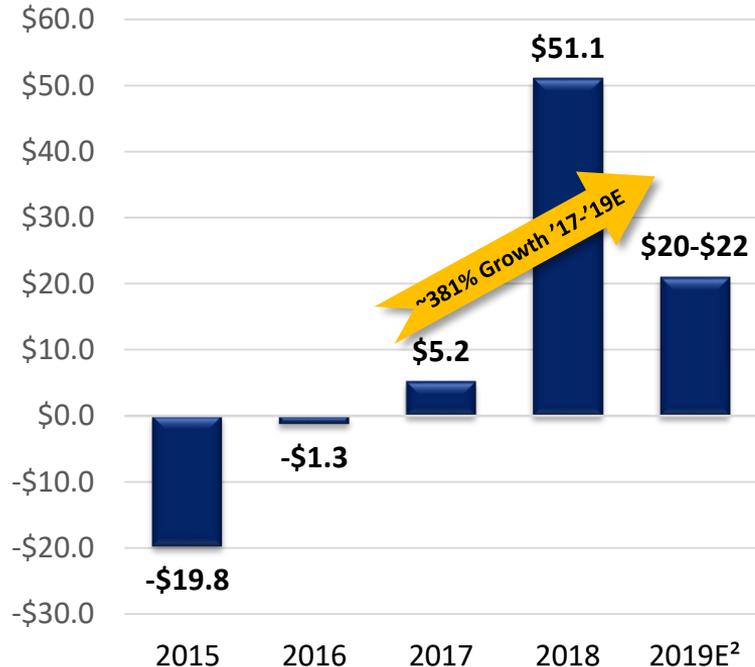
Hold position in console headsets. Accelerate PC headset growth in our core markets. Enter PC headsets in Asia. Add keyboards and mice. Add software and services differentiation across hardware.

1. See appendix for a reconciliation of non-GAAP measures.

2. Guidance updated on November 7, 2019.

## Free Cash Flow<sup>1</sup>

Millions



1. Free cash flow defined as consolidated adjusted EBITDA less capital expenditures, less cash interest.

2. Estimated based on guidance updated on November 7, 2019.

## Strong free cash flow generation:

- Allowed the Company to pay down all long-term debt
- Expected to enable continued growth investments
- Allowed for April '19 announcement of a share buyback of up to \$15M over the next two years
  - So far, ~206,000 shares repurchased for \$1.9M, or \$9.43 per share
- Acquired ROCCAT for \$12.7M at closing with operating cash and borrowings under revolving credit facility

- Revenues on track and reflect significantly higher installed base driven by Battle Royale games in 2018
- More than doubled our TAM to \$4.1B\* with acquisition of leading German PC gaming accessory maker ROCCAT
- Significant rise in PC accessories sales driven by our Atlas line and the addition of ROCCAT portfolio
- Healthy balance sheet with long-term debt paid off
- Authorization of up to \$15M share repurchase signals continued confidence in our business



### **Investor Relations:**

Cody Slach/Sean McGowan

Gateway

949.574.3860

[HEAR@gatewayir.com](mailto:HEAR@gatewayir.com)

### **PR/Media Contact:**

Maclean Marshall

Turtle Beach

858.914.5093

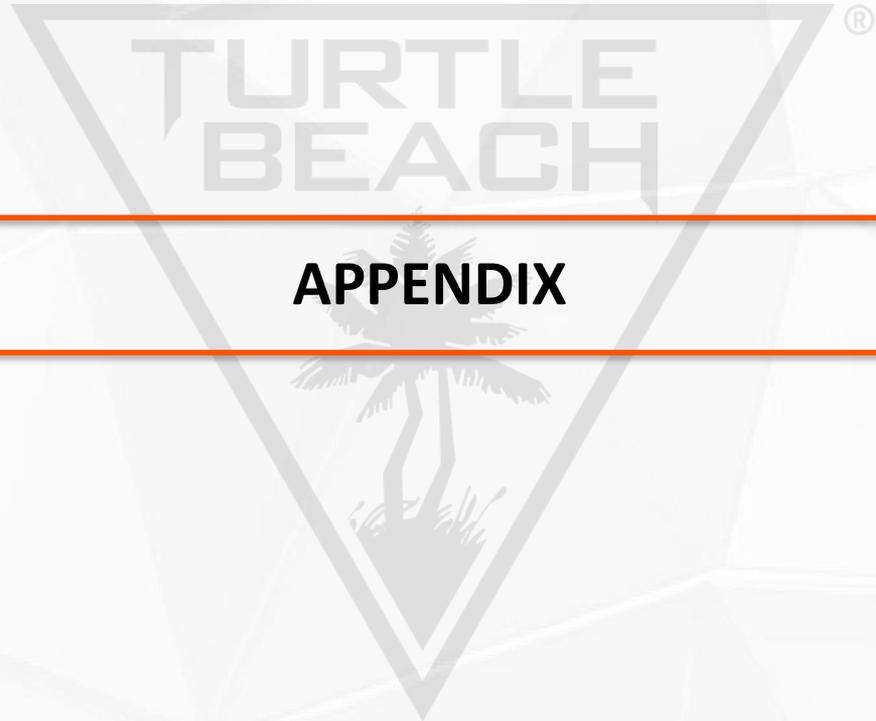
[maclean.marshall@turtlebeach.com](mailto:maclean.marshall@turtlebeach.com)

## COMPANY WEBSITES

[www.turtlebeachcorp.com](http://www.turtlebeachcorp.com)

[www.turtlebeach.com](http://www.turtlebeach.com)

[www.roccat.org](http://www.roccat.org)



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## APPENDIX

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# GAAP TO ADJUSTED EBITDA RECONCILIATION – THREE MONTHS ENDED SEPTEMBER 30, 2019



	Three Months Ended September 30, 2019					
	As Reported	Adj Depreciation	Adj Amortization	Adj Stock Compensation	Other <sup>(1)</sup>	Adj EBITDA
Net revenue	\$ 46,723	\$ -	\$ -	\$ -	\$ -	\$ 46,723
Cost of revenue	<u>31,680</u>	<u>(570)</u>	<u>-</u>	<u>(108)</u>	<u>-</u>	<u>31,002</u>
<b>Gross Profit</b>	<b>15,043</b>	<b>570</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>15,721</b>
Operating expenses	<u>17,562</u>	<u>(728)</u>	<u>(192)</u>	<u>(922)</u>	<u>(618)</u>	<u>15,102</u>
<b>Operating income (loss)</b>	<b>(2,519)</b>	<b>1,298</b>	<b>192</b>	<b>1,030</b>	<b>618</b>	<b>618</b>
Interest expense	240					
Other non-operating expense (income), net	<u>302</u>					<u>302</u>
Income (loss) before income tax	(3,061)					
Income tax expense	<u>63</u>					
<b>Net loss</b>	<b><u><u>\$ (3,124)</u></u></b>					<b>Adjusted EBITDA <u><u>\$ 316</u></u></b>

(1) Other includes certain business acquisition costs and a gain (loss) on financial instrument obligation.

# GAAP TO ADJUSTED EBITDA RECONCILIATION – THREE MONTHS ENDED SEPTEMBER 30, 2018



	Three Months Ended September 30, 2018					
	As Reported	Adj Depreciation	Adj Amortization	Adj Stock Compensation	Other <sup>(2)</sup>	Adj EBITDA
Net revenue	\$ 74,427	\$ -	\$ -	\$ -	\$ -	\$ 74,427
Cost of revenue	<u>43,925</u>	<u>(137)</u>	<u>-</u>	<u>(70)</u>	<u>-</u>	<u>43,718</u>
<b>Gross Profit</b>	<b>30,502</b>	<b>137</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>30,709</b>
Operating expenses	<u>13,980</u>	<u>(603)</u>	<u>(74)</u>	<u>(518)</u>	<u>-</u>	<u>12,786</u>
<b>Operating income</b>	<b>16,522</b>	<b>740</b>	<b>74</b>	<b>587</b>	<b>-</b>	<b>17,923</b>
Interest expense	1,093					
Other non-operating expense (income), net	<u>99</u>				209	<u>308</u>
Income before income tax	15,330					
Income tax expense	<u>398</u>					
<b>Net income</b>	<b><u>\$ 14,932</u></b>				<b>Adjusted EBITDA</b>	<b><u>\$ 17,615</u></b>

(1) Other includes unrealized gain (loss) on financial instrument obligation.

# GAAP TO ADJUSTED DILUTED EPS RECONCILIATION – THREE MONTHS ENDED SEPTEMBER 30<sup>TH</sup>



	<b>Three Months Ended</b>	
	<b>September 30, 2019</b>	<b>September 30, 2018</b>
<u>Net Income (Loss)</u>		
GAAP Net Income (Loss)	\$ (3,124)	\$ 14,932
Adjustments, net of tax:		
Loss (gain) on financial instrument obligation	-	(209)
Acquisition integration costs	543	-
Non-GAAP Earnings	<u>\$ (2,581)</u>	<u>\$ 14,723</u>
Diluted Earnings Per Share		
GAAP- Diluted	\$ (0.22)	\$ 0.91
Gain on financial instrument obligation	-	-
Acquisition integration costs	0.04	-
Non-GAAP- Diluted	<u>\$ (0.18)</u>	<u>\$ 0.91</u>

# GAAP TO ADJUSTED EBITDA RECONCILIATION – FULL YEARS



	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
<b>Consolidated</b>				
<b>Net Income (Loss)</b>	<b>39,190</b>	<b>(3,248)</b>	<b>(87,182)</b>	<b>(82,907)</b>
Depreciation	3,954	4,075	5,066	5,901
Amortization of intangibles	303	349	4,128	2,015
Interest	5,335	7,916	7,447	5,099
Taxes	1,737	593	(387)	2,393
Stock Compensation	1,877	1,430	3,960	5,897
Restructuring Expense	-	533	664	399
Goodwill Impairment	-	-	63,236	49,822
Business Transaction Expense	-	(79)	7,079	-
Unrealized loss on financial instrument obligation	5,291	-	-	-
<b>Adj EBITDA</b>	<b>57,687</b>	<b>11,567</b>	<b>4,011</b>	<b>(11,381)</b>