CARBONITE

Carbonite Financial Results

Q1 2019

May 2, 2019

Safe Harbor Statement

Certain matters discussed in these slides and accompanying oral presentation have "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may generally be identified as such because the context of such statements will include words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should, " "will," "would" or words of similar import. Similarly, statements that describe the Company's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, our ability to integrate the Webroot Inc. acquisition or other acquisitions into our operations and achieve the expected operational and financial benefits of such acquisitions and the timing of such benefit, our ability to profitably attract new customers and retain existing customers, our dependence on the market for cloud backup services, our ability to manage growth, changes in economic or regulatory conditions or other trends affecting the Internet and the information technology industry, and those discussed in the section titled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 filed with the Securities and Exchange Commission (the "SEC"), which is available on www.sec.gov, and elsewhere in any subsequent periodic or current reports filed by us with the SEC. Except as required by applicable law, we do not undertake any obligation to update our forward-looking statements to reflect future events, new information or circumstances.

This presentation contains non-GAAP financial measures including, but not limited to, non-GAAP Revenue, non-GAAP Gross Margin, non-GAAP Net Income and non-GAAP Net Income Per Share, Adjusted EBITDA and Adjusted Free Cash Flow. A reconciliation to GAAP can be found in the financial schedules included in our most recent earnings press release located on Carbonite's website, http://investor.carbonite.com, in the Company's filings or with the SEC at www.sec.gov. The presentation of non-GAAP financial information should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

Conference Call Details

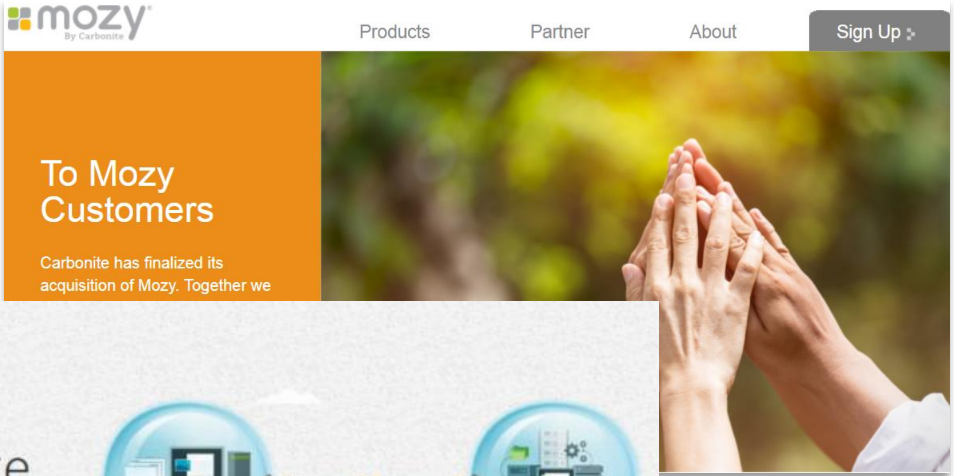
What:	Carbonite Q1 2019 Financial Results Conference Call
When:	Thursday, May 2nd, 2019
Time:	5:30 p.m. ET
Live Call:	877-303-1393 (U.S.)
	315-625-3228 (International)
Conference ID:	5474657
Live / Recorded Webcast:	http://investor.carbonite.com

Summary Results

- Delivered strong financial results
- Announced acquisition of Webroot (2/7/2019)
  - Creates a comprehensive approach to protecting endpoints: a top vulnerability
  - Combines a leader in endpoint backup and recovery with a leader in endpoint security
  - Cross-selling, channel expansion and market penetration opportunities
- Closed acquisition of Webroot (3/26/2019)
- Closed $550 million term loan and new $130 million revolving credit facility
- Mozy integration and customer migration going well

Mozy Integration and Customer Migration

- Pace of Mozy customer migrations accelerating
- More than 80,000 customers chose to migrate to Carbonite infrastructure



Summary Q1 2019 Financial Results

	Q1 2019 Outlook (2/7/2019)	Q1 2019 Results
GAAP Revenue	$76.5 M - $77.5 M	$81.2 M (+27% YoY)
Non-GAAP Revenue	$77 M - $78 M	$83.0 M (+28% YoY)
GAAP Net Income Per Share (Diluted)	*Not guided*	$0.06 (-85%)
Non-GAAP Net Income Per Share (Diluted)	*Not guided*	$0.44 (+63%)
Non-GAAP Gross Margin	*Not guided*	79.5% (+340 Bps YoY)
Adjusted EBITDA	$20.0 M - $21.5 M	$24.9 (+102% YoY)
Adjusted Free Cash Flow	*Not guided*	$19.7 M (+706% YoY)

*With respect to expectations under "Outlook" above, the Company has not reconciled non-GAAP net income per share to net income per share because we do not provide guidance for stock-based compensation expense, litigation-related expense, restructuring-related expense, acquisition-related expense, amortization expense on intangible assets and the income tax effect of non-GAAP adjustments as we are unable to quantify certain of these amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the Company believes such reconciliations would imply a degree of precision that would be confusing or misleading to investors.

Source: SEC Filings; For a full reconciliation of GAAP to non-GAAP, please visit the investor relations portion of the Carbonite web site – investor.carbonite.com

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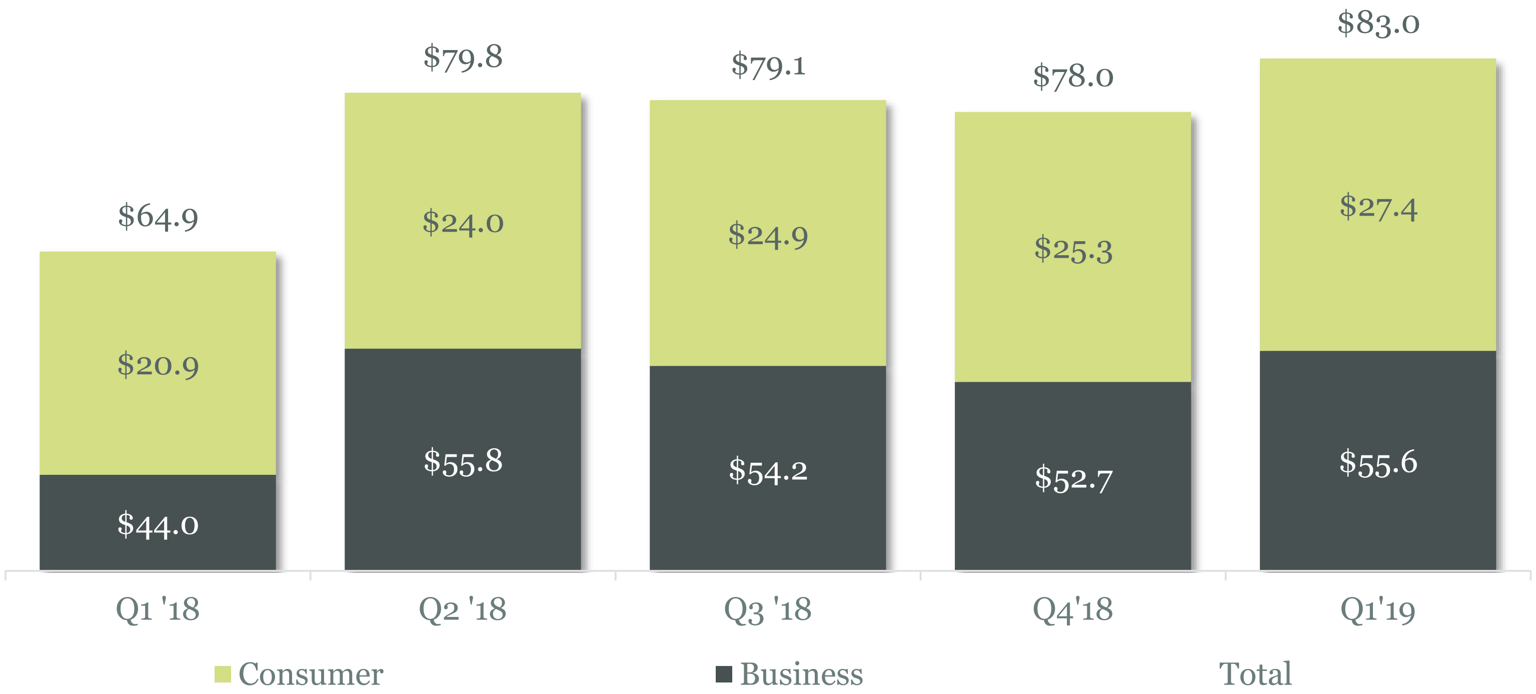
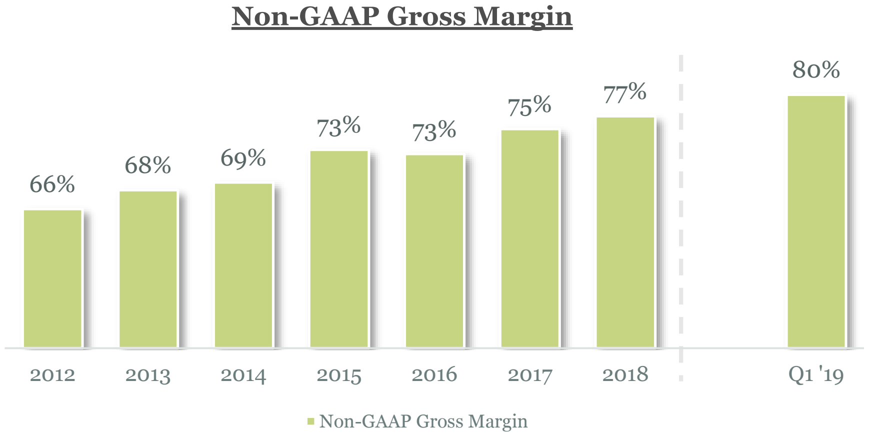
Quarterly Non-GAAP Revenue Growth

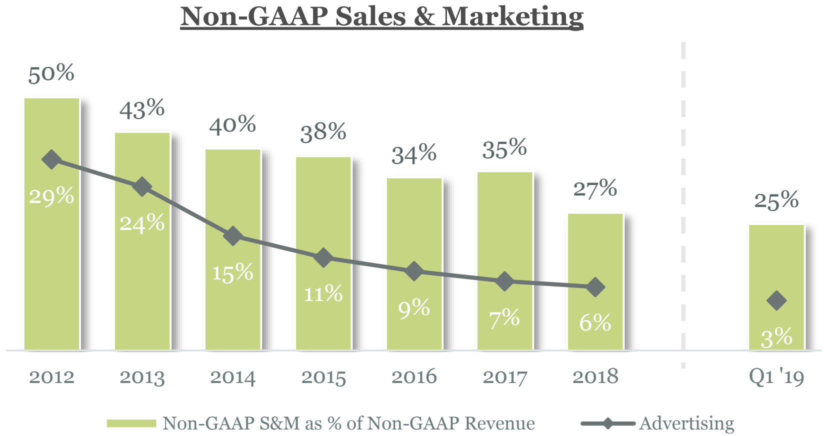


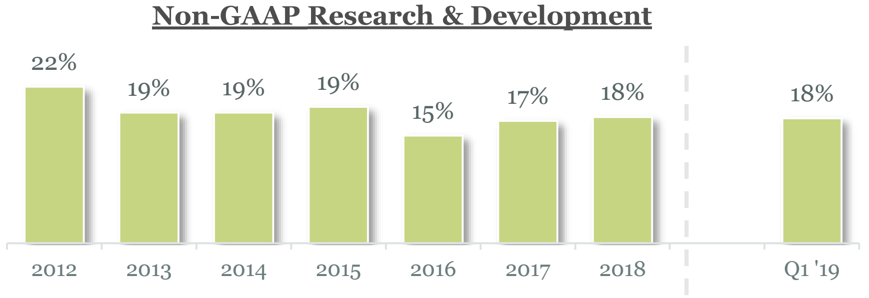
Approximate, may not foot due to rounding. Source: SEC Filings and company estimates; For a full reconciliation of GAAP to non-GAAP, please visit the investor relations portion of the Carbonite web site – investor.carbonite.com

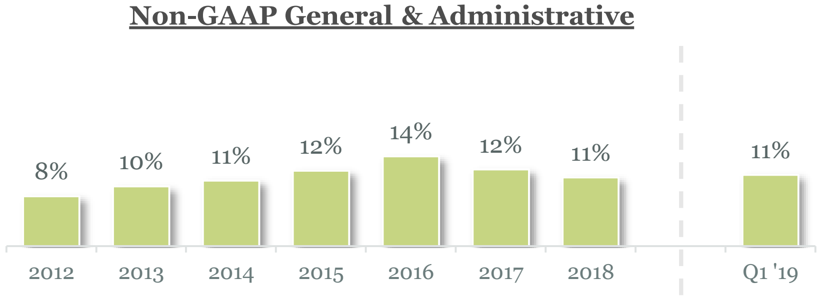
Driving Operating Leverage

(% of non-GAAP revenue)









Source: SEC Filings; For a full reconciliation of GAAP to non-GAAP, please visit the investor relations portion of the Carbonite web site – investor.carbonite.com

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Summary Debt Financing (March 2019)

Current net leverage* of ~3.9X, Target < 2X by early 2021

$550 M term loan B

- Seven-year facility
- Interest rate of ~6.3% (L+375)
- Annual principal repayments of 1% of original principal amount
- Expectation is to use significant amount of free cash flow to pay down outstanding loan balance

$130 M revolving credit facility

- Five-year facility
- Interest rate of ~5.8% (L+325)
- No outstanding borrowings as of March 31, 2019

*Net leverage calculated as total debt less proforma cash on hand divided by the midpoint of the FY adjusted EBITDA guidance

Balance Sheet

	3/31/2019	Webroot post close cash settlement (4/5/2019)	Proforma
Cash and cash equivalents	$252.6 M	$130.8 M	$121.8 M
Accrued compensation	$154.1 M	($130.8M)	$23.3 M
Total current liabilities	$379.1 M	($130.8 M)	$248.3 M

Cash and cash equivalents include approximately $124M of cash acquired in connection with the 3/26 acquisition of Webroot.

The 4/5 payment above reflects the post close settlement of payments due to Webroot option holders. Working capital adjustments will impact the final purchase price.

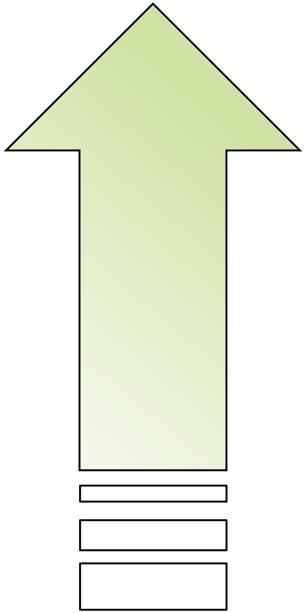
Capital Allocation Strategy

- Strong balance sheet
  – Minimum target cash balance $75 million
  – Accelerated term loan pay-down
  – Net leverage target < 2x by early 2021

- Growth and operating initiatives
  – Strategic acquisitions
  – Investment in operating efficiencies

- Return capital to shareholders
  – Share repurchases: $50 million authorized and $28.5 million available

Primary focus



Business Outlook (as of May 2, 2019)*

	Q2 2019 Outlook (5/2/2019)		FY 2019 Outlook (2/7/2019)	FY 2019 Outlook (5/2/2019)
GAAP Revenue	$119 M - $123 M		$468 M – $482 M	$457 M – $471 M
Deferred Revenue Haircut Assumption	$14 M		$20 M	$34 M
Non-GAAP Revenue	$133 M - $137 M		$488 M – $502 M	$491 M – $505 M
Non-GAAP Gross Margin	*Not guided*		80.5% – 81.5%	80.5% – 81.5%
Adjusted EBITDA	$34 M - $36 M		$129 M – $134 M	$132 M – $137 M

*With respect to our expectations under "Outlook" above, the Company has not reconciled non-GAAP gross margin to gross margin or adjusted EBITDA to net income (loss) in this press release because we do not provide guidance for amortization expense on intangible assets, depreciation expense, stock-based compensation expense, litigation-related expense, income tax expense, restructuring-related expense, interest expense, and acquisition-related expense as we are unable to quantify certain of these amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the Company believes such reconciliations would imply a degree of precision that would be confusing or misleading to investors

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Financial Highlights

- Strong and consistent total revenue driven by combination of organic and inorganic
- High quality revenue base and highly recurring revenue model
- Consistently improving margins through operational efficiencies
- Track record of successful acquisition integration and synergy achievement
- Delivering meaningful earnings per share and free cash flow growth
- Disciplined capital allocation strategy

Definitions of non-GAAP measures

- **Non-GAAP revenue**: Excludes the impact of purchase accounting adjustments for acquisitions.
- **Non-GAAP gross margin**: Excludes the impact of purchase accounting adjustments on acquired deferred revenue, amortization expense on intangible assets, stock-based compensation expense, and acquisition-related expense.
- **Non-GAAP net income and non-GAAP net income per share**: Excludes the impact of purchase accounting adjustments on acquired deferred revenue, amortization expense on intangible assets, stock-based compensation expense, litigation-related expense, restructuring-related expense, acquisition-related expense, non-cash convertible debt interest expense and the income tax effect of non-GAAP adjustments.
- **Adjusted EBITDA:** Excludes the impact of interest expense, net, income taxes, depreciation, amortization, purchase accounting adjustments on acquired deferred revenue, stock-based compensation expense, litigation-related expense, restructuring-related expense, intangible asset impairment charges, and acquisition-related expense from net income (loss).
- **Adjusted free cash flow**: Calculated by subtracting the cash paid for the purchase of property and equipment and adding the payments related to acquisitions, restructuring, and litigation from net cash provided by operating activities.

Source: SEC Filings; For a full reconciliation of GAAP to non-GAAP, please visit the investor relations portion of the Carbonite web site – investor.carbonite.com