

**Reconciliation of GAAP to Non-GAAP Measures**  
**For the Three and Nine Months Ended September 30, 2014 and 2013**  
(unaudited, in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Non-GAAP revenue:				
Revenue (GAAP)	\$ 104,536	\$ 98,071	\$ 300,087	\$ 281,503
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Non-GAAP revenue	<u>\$ 104,144</u>	<u>\$ 99,864</u>	<u>\$ 300,812</u>	<u>\$ 283,298</u>
Adjusted gross profit:				
Gross profit (GAAP)	\$ 58,225	\$ 59,960	\$ 171,734	\$ 170,688
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Depreciation	2,311	1,480	6,182	4,767
Amortization of intangible assets	2,982	1,656	7,852	5,651
Stock-based compensation expense	1,141	785	3,014	2,211
Adjusted gross profit	<u>\$ 64,267</u>	<u>\$ 65,674</u>	<u>\$ 189,507</u>	<u>\$ 185,112</u>
Adjusted gross profit margin	61.7%	65.8%	63.0%	65.3%
Adjusted EBITDA:				
Net (loss) income (GAAP)	\$ (3,257)	\$ 12,886	\$ (10,384)	\$ 18,514
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Depreciation, asset impairment and loss on disposal of asset	5,121	3,400	13,911	10,486
Amortization of intangible assets	5,857	4,242	16,658	12,647
Interest expense, net	349	236	780	1,199
Income tax benefit	(1,783)	(7,114)	(4,124)	(2,616)
Litigation-related expense	39	278	4,884	331
Stock-based compensation expense	9,536	7,736	28,794	21,042
Acquisition related expense	860	288	2,098	2,113
Adjusted EBITDA	<u>\$ 16,330</u>	<u>\$ 23,745</u>	<u>\$ 53,342</u>	<u>\$ 65,511</u>
Adjusted EBITDA margin	15.7%	23.8%	17.7%	23.1%
Non-GAAP total product development:				
Product development (GAAP)	\$ 17,528	\$ 13,232	\$ 48,310	\$ 36,997
Less: Amortization of intangible assets	-	-	-	1
Stock-based compensation expense	2,707	1,271	6,763	3,123
Non-GAAP total product development:	<u>\$ 14,821</u>	<u>\$ 11,961</u>	<u>\$ 41,547</u>	<u>\$ 33,873</u>
Non-GAAP total product development as % of non-GAAP revenue:	14.2%	12.0%	13.8%	12.0%
Non-GAAP total sales and marketing:				
Sales and marketing (GAAP)	\$ 29,949	\$ 25,166	\$ 83,970	\$ 71,992
Less: Amortization of intangible assets	2,875	2,586	8,614	6,996
Stock-based compensation expense	3,774	2,686	10,018	7,891
Non-GAAP total sales and marketing:	<u>\$ 23,300</u>	<u>\$ 19,894</u>	<u>\$ 65,338</u>	<u>\$ 57,105</u>
Non-GAAP total sales and marketing as % of non-GAAP revenue:	22.4%	19.9%	21.7%	20.2%
Non-GAAP total general and administrative:				
General and administrative (GAAP)	\$ 15,443	\$ 15,554	\$ 53,191	\$ 44,880
Less: Amortization of intangible assets	-	-	192	-
Acquisition related expense	860	288	2,098	2,113
Stock-based compensation expense	1,914	2,994	8,999	7,817
Litigation related expense	39	278	4,884	331
Non-GAAP total general and administrative:	<u>\$ 12,630</u>	<u>\$ 11,994</u>	<u>\$ 37,018</u>	<u>\$ 34,619</u>
Non-GAAP total general and administrative as % of non-GAAP revenue:	12.1%	12.0%	12.3%	12.2%
Non-GAAP total operating expense:				
Operating expense (GAAP)	\$ 62,920	\$ 53,952	\$ 185,471	\$ 153,869
Less: Amortization of intangible assets	2,875	2,586	8,806	6,997
Acquisition related expense	860	288	2,098	2,113
Stock-based compensation expense	8,395	6,951	25,780	18,831
Litigation related expense	39	278	4,884	331
Non-GAAP total operating expense:	<u>\$ 50,751</u>	<u>\$ 43,849</u>	<u>\$ 143,903</u>	<u>\$ 125,597</u>
Non-GAAP total operating expense as % of non-GAAP revenue:	48.7%	43.9%	47.8%	44.3%
Non-GAAP operating income:				
Operating (loss) income (GAAP)	\$ (4,695)	\$ 6,008	\$ (13,737)	\$ 16,819
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Amortization of intangible assets	5,857	4,242	16,658	12,647
Stock-based compensation expense	9,536	7,736	28,794	21,042
Acquisition related expense	860	288	2,098	2,113
Litigation related expense	39	278	4,884	331
Non-GAAP operating income	<u>\$ 11,205</u>	<u>\$ 20,345</u>	<u>\$ 39,422</u>	<u>\$ 54,747</u>
Non-GAAP operating margin	10.8%	20.4%	13.1%	19.3%



**Reconciliation of GAAP to Non-GAAP Measures**  
**For the Three and Nine Months Ended September 30, 2014 and 2013**  
(unaudited, in thousands except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Non-GAAP net income:				
Net (loss) income (GAAP)	\$ (3,257)	\$ 12,886	\$ (10,384)	\$ 18,514
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Amortization of intangible assets	5,857	4,242	16,658	12,647
Stock-based compensation expense	9,536	7,736	28,794	21,042
Acquisition related expense	860	288	2,098	2,113
Litigation related expense	39	278	4,884	331
Loss on disposal of assets	16	37	36	310
Subtotal of add-back items	15,916	14,374	53,195	38,238
Tax impact of add-back items <sup>(1)</sup>	(6,366)	(5,750)	(21,278)	(15,295)
Tax expense resulting from applying effective tax rate <sup>(2)</sup>	233	(9,423)	1,679	(8,975)
Non-GAAP net income	\$ 6,526	\$ 12,087	\$ 23,212	\$ 32,482
Non-GAAP net income per share - diluted	\$ 0.08	\$ 0.16	\$ 0.30	\$ 0.43
Weighted average shares - diluted	77,280	76,347	77,075	75,900
Weighted average effect of dilutive securities	494	-	727	-
Non-GAAP weighted average shares - diluted	77,774	76,347	77,802	75,900

<sup>(1)</sup> Reflects the removal of the tax benefit associated with the amortization of intangible assets, stock-based compensation expense, Acquisition related deferred revenue adjustment and Acquisition related expense.

<sup>(2)</sup> Represents adjusting to a normalized effective tax rate of 40%.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Non-GAAP cash flows from operating activities:				
Cash flows from operating activities (GAAP)	\$ 7,306	\$ 17,026	\$ 50,054	\$ 51,609
Litigation related payments	39	331	4,885	331
Non-GAAP cash flows from operating activities	\$ 7,345	\$ 17,357	\$ 54,939	\$ 51,940

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Annualized Non-GAAP on demand revenue per average on demand unit:				
On demand revenue (GAAP)	\$ 100,747	\$ 94,084	\$ 289,361	\$ 270,231
Acquisition-related and other deferred revenue	(392)	1,793	725	1,795
Non-GAAP on demand revenue	\$ 100,355	\$ 95,877	\$ 290,086	\$ 272,026
Ending on demand units	9,496	8,730	9,496	8,730
Average on demand units	9,434	8,673	9,305	8,527
Annualized Non-GAAP on demand revenue per average on demand unit	\$ 42.55	\$ 44.22	\$ 41.57	\$ 42.54
Annual customer value of on demand revenue <sup>(1)</sup>	\$ 404,055	\$ 386,041		

<sup>(1)</sup> This metric represents management's estimate for the current annual run-rate value of on demand customer relationships. This metric is calculated by multiplying ending on demand units times annualized Non-GAAP on demand revenue per average on demand unit for the periods presented.