## 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,						ths Ended nber 30,		
		2014		2013		2014		2013	
Non-GAAP revenue: Revenue (GAAP) Acquisition-related and other deferred revenue	\$	104,536 (392)	\$	98,071 1,793	\$	300,087 725	\$	281,503 1,795	
Non-GAAP revenue	\$	104,144	\$	99,864	\$	300,812	\$	283,298	
		Three Mor Septer		),		Nine Mon Septen		0,	
		2014		2013		2014		2013	
Adjusted gross profit: Gross profit (GAAP)	s	58.225	s	59,960	\$	171.734	\$	470.000	
	2		\$		\$	171,734 725	\$	170,688	
Acquisition-related and other deferred revenue Depreciation		(392) 2.311		1,793 1,480		6.182		1,795 4,767	
Amortization of intangible assets		2,982		1,460		7,852		5,651	
Stock-based compensation expense		1,141		785		3,014		2,211	
Adjusted gross profit	\$	64,267	\$	65.674	\$	189,507	\$	185,112	
Adjusted gross prom	4	04,207	÷	03,074	ψ	103,307	ψ	103,112	
Adjusted gross profit margin		61.7%		65.8%		63.0%		65.3%	
		Three Mor Septer			Nine Months Ended September 30.				
		2014	iber 30	2013		2014	iber 3	2013	
Adjusted EBITDA:		2014		2010		2014		2010	
Net (loss) income (GAAP)	s	(3.257)	s	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	\$	16,330	\$	23,745	\$	53,342	\$	65,511	
Adjusted EBITDA margin		15.7%		23.8%		17.7%		23.1%	
		Three Mor				Nine Mon			
		Septer 2014	nber 3	<u>,</u> 2013		Septen 2014	iber 3	<u>0,</u> 2013	
Non-GAAP total product development:		2014		2013		2014		2013	
Product development (GAAP)	s	17.528	s	13,232	\$	48.310	\$	36.997	
Less: Amortization of intangible assets	ą	17,520	φ	10,202	φ	40,010	φ	30,997	
Stock-based compensation expense		2.707		- 1.271		6.763		3.123	
Non-GAAP total product development:	e	14.821	\$	11,961	\$	41,547	\$	33,873	
	\$	14,621	3	11,901	\$	41,047	\$	33,873	
Non-GAAP total product development as % of non-GAAP revenue:		14.2%		12.0%		13.8%		12.0%	

Reconciliation of GAAP to Non-GAAP Measures For the Three and Nine Months Ended September 30, 2014 and 2013

(unaudited, in thousands)	
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		Three Mor Septen		Nine Months Endeo September 30,					
	-	2014		2013	-	2014	1001 0	2013	
Non-GAAP total sales and marketing:	-	2011		2010	-	2011		2010	
Sales and marketing (GAAP)	s	29.949	s	25.166	\$	83.970	\$	71.992	
Less: Amortization of intangible assets	Ψ	2.875	Ŷ	2.586	Ψ	8.614	Ψ	6.996	
Stock-based compensation expense		3,774		2,686		10,014		7,891	
Non-GAAP total sales and marketing:		23.300	\$	19.894	\$	65.338	\$	57,105	
NON-GAAF total sales and marketing.	ą	23,300	ş	19,094	ą	00,000	φ	57,105	
Non-GAAP total sales and marketing as % of non-GAAP revenue:		22.4%		19.9%		21.7%		20.2%	
		Three Mor	nths Ei	nded		Nine Mon	ths Er	nded	
		Septen	nber 30			Septen	nber 3		
Non-GAAP total general and administrative:		2014		2013		2014		2013	
General and administrative (GAAP)	s	15.443	s	15.554	\$	53,191	\$	44,880	
Less: Amortization of intangible assets	Ψ	-	Ŷ	10,004	Ψ	192	Ψ		
Acquisition related expense		860		288		2.098		2,113	
Stock-based compensation expense		1.914		2.994		8,999		7.817	
Litigation related expense		1,914		2,994		4.884		331	
Litigation related expense	-	12.630		11.994	•	37.018	\$		
Non-GAAP total general and administrative:	\$	12,630	\$	11,994	\$	37,018	\$	34,619	
Non-GAAP total general and administrative as % of non-GAAP revenue:		12.1%		12.0%		12.3%		12.2%	
		Three Mor	nths Ei	nded		Nine Mon	ths Er	nded	
		Septen	nber 30	),		Septen	nber 3	0,	
		2014	_	2013		2014		2013	
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:	\$	50,751	\$	43,849	\$	143,903	\$	125,597	
Non-GAAP total operating expense as % of non-GAAP revenue:		48.7%		43.9%		47.8%		44.3%	
	Three Months Ended September 30,					Nine Mon Septen			
		2014	iber 5	2013		2014	iber 3	2013	
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	S	11.205	\$	20.345	\$	39.422	\$	54,747	
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## 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,						Nonths Ended tember 30,		
		2014	2013		2014			2013	
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:	\$	23,300	\$	19,894	\$	65,338	\$	57,105	
Non-GAAP total sales and marketing as % of non-GAAP revenue:		22.4%		19.9%		21.7%		20.2%	

	Three Months Ended September 30,						onths Ended ember 30,		
		2014		2013		2014		2013	
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:	\$	12,630	\$	11,994	\$	37,018	\$	34,619	

12.1%

12.0%

12.3%

12.2%

Non-GAAP total general and administrative as % of non-GAAP revenue:

	Three Months Ended September 30,						nths Ended mber 30,	
	2014 2013		_	2014		2013		
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:	\$	50,751	\$	43,849	\$	143,903	\$	125,597
Non-GAAP total operating expense as % of non-GAAP revenue:		48.7%		43.9%		47.8%		44.3%
		Three Mor Septen				Nine Mon Septer		

	 2014		2013		2014		2013
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	\$ 11,205	\$	20,345	\$	39,422	\$	54,747
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 Mon Septer		
		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 Mon Septen		
	2014 2013		2014			2013		
Non-GAAP cash flows from operating activities: Cash flows from operating activities (GAAP) Litigation related payments Non-GAAP cash flows from operating activities	\$	7,306 39 7,345	\$ \$	17,026 <u>331</u> 17,357	\$ \$	50,054 4,885 54,939	\$ \$	51,609 <u>331</u> 51,940
	Three Months Ended September 30,					Nine Mon Septen		80,
Annualized Nex CAAD on demand revenue nex sucress on demand units		2014		2013		2014		2013
Annualized Non-GAAP on demand revenue per average on demand unit: On demand revenue (GAAP) Acquisition-related and other deferred revenue	\$	100,747 (392)	\$	94,084 1,793	\$	289,361 725	\$	270,231 1,795
Non-GAAP on demand revenue	\$	100,355	\$	95,877	\$	290,086	\$	272,026
Ending on demand units Average on demand units		9,496 9,434		8,730 8,673		9,496 9,305		8,730 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.