

Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Revenue:				
On demand	\$ 141,627	\$ 117,090	\$ 542,531	\$ 450,962
On premise	695	669	2,836	2,970
Professional and other	6,749	3,941	22,761	14,588
Total revenue	<u>149,071</u>	<u>121,700</u>	<u>568,128</u>	<u>468,520</u>
Cost of revenue ⁽¹⁾	<u>61,364</u>	<u>50,818</u>	<u>242,301</u>	<u>198,613</u>
Gross profit	<u>87,707</u>	<u>70,882</u>	<u>325,827</u>	<u>269,907</u>
Operating expense:				
Product development ⁽¹⁾	18,714	15,880	73,607	68,799
Sales and marketing ⁽¹⁾	34,025	30,410	135,213	123,108
General and administrative ⁽¹⁾	23,058	17,017	85,013	68,814
Impairment of identified intangible assets	—	—	750	20,801
Total operating expense	<u>75,797</u>	<u>63,307</u>	<u>294,583</u>	<u>281,522</u>
Operating income (loss)	<u>11,910</u>	<u>7,575</u>	<u>31,244</u>	<u>(11,615)</u>
Interest expense and other, net	(912)	(401)	(3,758)	(1,449)
Income (loss) before income taxes	<u>10,998</u>	<u>7,174</u>	<u>27,486</u>	<u>(13,064)</u>
Income tax expense (benefit)	<u>3,637</u>	<u>3,274</u>	<u>10,836</u>	<u>(3,846)</u>
Net income (loss)	<u>\$ 7,361</u>	<u>\$ 3,900</u>	<u>\$ 16,650</u>	<u>\$ (9,218)</u>
Net income (loss) per share attributable to common stockholders:				
Basic	\$ 0.09	\$ 0.05	\$ 0.22	\$ (0.12)
Diluted	\$ 0.09	\$ 0.05	\$ 0.21	\$ (0.12)
Weighted average shares used in computing net income (loss) per share attributable to common stockholders:				
Basic	77,566	76,445	76,854	76,689
Diluted	79,116	77,055	77,843	76,689

⁽¹⁾ Includes stock-based expense as follows:

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Cost of revenue	\$ 804	\$ 779	\$ 3,310	\$ 4,046
Product development	1,825	1,535	7,071	8,585
Sales and marketing	3,185	2,246	11,364	12,996
General and administrative	3,655	2,896	15,107	12,495
	<u>\$ 9,469</u>	<u>\$ 7,456</u>	<u>\$ 36,852</u>	<u>\$ 38,122</u>