

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Revenue:				
On demand	\$ 116,772	\$ 100,747	\$ 333,872	\$ 289,361
On premise	834	755	2,301	2,446
Professional and other	3,982	3,034	10,647	8,280
Total revenue	<u>121,588</u>	<u>104,536</u>	<u>346,820</u>	<u>300,087</u>
Cost of revenue ⁽¹⁾	<u>52,879</u>	<u>46,311</u>	<u>150,160</u>	<u>128,353</u>
Gross profit	68,709	58,225	196,660	171,734
Operating expense:				
Product development ⁽¹⁾	16,858	17,528	52,919	48,310
Sales and marketing ⁽¹⁾	31,559	29,949	90,333	83,970
General and administrative ⁽¹⁾	13,424	15,443	51,797	53,191
Impairment of identified intangible assets	20,274	—	20,801	—
Total operating expense	<u>82,115</u>	<u>62,920</u>	<u>215,850</u>	<u>185,471</u>
Operating loss	(13,406)	(4,695)	(19,190)	(13,737)
Interest expense and other, net	(391)	(345)	(1,048)	(771)
Loss before income taxes	(13,797)	(5,040)	(20,238)	(14,508)
Income tax benefit	(5,605)	(1,783)	(7,120)	(4,124)
Net loss	<u>\$ (8,192)</u>	<u>\$ (3,257)</u>	<u>\$ (13,118)</u>	<u>\$ (10,384)</u>
Net loss per share				
Basic	\$ (0.11)	\$ (0.04)	\$ (0.17)	\$ (0.13)
Diluted	\$ (0.11)	\$ (0.04)	\$ (0.17)	\$ (0.13)
Weighted average shares used in computing net loss per share				
Basic	76,564	77,280	76,772	77,075
Diluted	76,564	77,280	76,772	77,075

⁽¹⁾ Includes stock-based compensation expense as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Cost of revenue	\$ 817	\$ 1,141	\$ 3,267	\$ 3,014
Product development	1,759	2,707	7,050	6,763
Sales and marketing	3,118	3,774	10,750	10,018
General and administrative	2,975	1,914	9,599	8,999
	<u>\$ 8,669</u>	<u>\$ 9,536</u>	<u>\$ 30,666</u>	<u>\$ 28,794</u>