

Condensed Consolidated Statements of Operations
For the Three Months Ended March 31, 2014 and 2013
(unaudited, in thousands, except per share data)

	Three Months Ended	
	March 31,	
	2014	2013
Revenue:		
On demand	\$ 97,008	\$ 85,322
On premise	865	950
Professional and other	2,690	2,709
Total revenue	<u>100,563</u>	<u>88,981</u>
Cost of revenue ⁽¹⁾	<u>39,927</u>	<u>35,364</u>
Gross profit	60,636	53,617
Operating expense:		
Product development ⁽¹⁾	14,841	12,038
Sales and marketing ⁽¹⁾	25,991	22,902
General and administrative ⁽¹⁾	20,929	16,507
Total operating expense	<u>61,761</u>	<u>51,447</u>
Operating income (loss)	(1,125)	2,170
Interest expense and other income, net	<u>(222)</u>	<u>(89)</u>
Income before income taxes	(1,347)	2,081
Income tax expense	<u>(511)</u>	<u>1,063</u>
Net income (loss)	<u>\$ (836)</u>	<u>\$ 1,018</u>
Net income (loss) per share		
Basic	\$ (0.01)	\$ 0.01
Diluted	\$ (0.01)	\$ 0.01
Weighted average shares used in computing net income (loss) per share		
Basic	76,722	74,011
Diluted	76,722	75,454

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

	Three Months Ended	
	March 31,	
	2014	2013
Cost of revenue	1,007	\$ 750
Product development	1,912	1,131
Sales and marketing	3,143	3,201
General and administrative	3,163	2,163
	<u>\$ 9,225</u>	<u>\$ 7,245</u>