

Condensed Consolidated Statements of Operations
For the Three and Twelve Months Ended December 31, 2013 and 2012
(unaudited, in thousands, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Revenue:				
On demand	\$ 92,081	\$ 81,771	\$ 362,312	\$ 306,400
On premise	892	1,313	3,691	5,216
Professional and other	2,546	2,640	11,019	10,556
Total revenue	<u>95,519</u>	<u>85,724</u>	<u>377,022</u>	<u>322,172</u>
Cost of revenue ⁽¹⁾	<u>37,506</u>	<u>33,204</u>	<u>148,321</u>	<u>128,562</u>
Gross profit	58,013	52,520	228,701	193,610
Operating expense:				
Product development ⁽¹⁾	13,641	12,852	50,638	48,177
Sales and marketing ⁽¹⁾	23,902	19,806	95,894	76,992
General and administrative ⁽¹⁾	15,730	12,199	60,610	56,993
Total operating expense	<u>53,273</u>	<u>44,857</u>	<u>207,142</u>	<u>182,162</u>
Operating income	4,740	7,663	21,559	11,448
Interest expense and other income, net	(156)	(426)	(1,077)	(2,046)
Income before income taxes	4,584	7,237	20,482	9,402
Income tax expense	2,406	3,515	(210)	4,219
Net income	<u>\$ 2,178</u>	<u>\$ 3,722</u>	<u>\$ 20,692</u>	<u>\$ 5,183</u>
Net income per share				
Basic	\$ 0.03	\$ 0.05	\$ 0.28	\$ 0.07
Diluted	\$ 0.03	\$ 0.05	\$ 0.27	\$ 0.07
Weighted average shares used in computing net income per share				
Basic	76,035	73,460	74,962	71,838
Diluted	77,108	74,960	76,187	74,002

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Cost of revenue	\$ 900	\$ 718	3,111	\$ 2,806
Product development	1,665	1,211	4,788	4,391
Sales and marketing	3,102	368	10,993	4,790
General and administrative	2,988	1,564	10,805	6,191
	<u>\$ 8,655</u>	<u>\$ 3,861</u>	<u>\$ 29,697</u>	<u>\$ 18,178</u>