

Condensed Consolidated Statements of Operations
For the Three and Six Months Ended June 30, 2013 and 2012
(unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenue:				
On demand	\$ 90,825	\$ 74,938	\$ 176,147	\$ 145,656
On premise	1,011	1,261	1,961	2,677
Professional and other	2,615	2,593	5,324	4,876
Total revenue	<u>94,451</u>	<u>78,792</u>	<u>183,432</u>	<u>153,209</u>
Cost of revenue ⁽¹⁾	<u>37,340</u>	<u>31,848</u>	<u>72,704</u>	<u>62,461</u>
Gross profit	57,111	46,944	110,728	90,748
Operating expense:				
Product development ⁽¹⁾	11,727	11,738	23,765	23,051
Sales and marketing ⁽¹⁾	23,924	18,588	46,826	35,394
General and administrative ⁽¹⁾	12,819	19,946	29,326	32,249
Total operating expense	<u>48,470</u>	<u>50,272</u>	<u>99,917</u>	<u>90,694</u>
Operating income (loss)	8,641	(3,328)	10,811	54
Interest expense and other income, net	(596)	(577)	(685)	(1,213)
Income (loss) before income taxes	8,045	(3,905)	10,126	(1,159)
Income tax expense (benefit)	3,435	(1,533)	4,498	(507)
Net income (loss)	<u>\$ 4,610</u>	<u>\$ (2,372)</u>	<u>\$ 5,628</u>	<u>\$ (652)</u>
Net income (loss) per share				
Basic	\$ 0.06	\$ (0.03)	\$ 0.08	\$ (0.01)
Diluted	\$ 0.06	\$ (0.03)	\$ 0.07	\$ (0.01)
Weighted average shares used in computing net income per share				
Basic	74,541	71,102	74,278	70,846
Diluted	75,781	71,102	75,665	70,846

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Cost of revenue	\$ 676	\$ 750	\$ 1,426	\$ 1,439
Product development	721	1,002	1,852	2,064
Sales and marketing	2,004	1,032	5,205	1,769
General and administrative	2,660	1,532	4,823	3,032
	<u>\$ 6,061</u>	<u>\$ 4,316</u>	<u>\$ 13,306</u>	<u>\$ 8,304</u>