

Reconciliation of GAAP to Non-GAAP Measures
For the Three and Six Months Ended June 30, 2013 and 2012
(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenue:	\$ 94,451	\$ 78,792	\$ 183,432	\$ 153,209
Acquisition related deferred revenue adjustment	-	2	2	83
Non-GAAP revenue	\$ 94,451	\$ 78,794	\$ 183,434	\$ 153,292

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Adjusted gross profit:				
Gross profit	\$ 57,111	\$ 46,944	\$ 110,728	\$ 90,748
Acquisition related deferred revenue adjustment	-	2	2	83
Depreciation	1,444	1,625	3,287	3,210
Amortization of intangible assets	2,028	2,363	3,995	4,781
Stock-based compensation expense	676	750	1,426	1,439
Adjusted gross profit	\$ 61,259	\$ 51,684	\$ 119,438	\$ 100,261

Adjusted gross profit margin 64.9% 65.6% 65.1% 65.4%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Adjusted EBITDA:				
Net income (loss)	\$ 4,610	\$ (2,372)	\$ 5,628	\$ (652)
Acquisition related deferred revenue adjustment	-	2	2	83
Depreciation, asset impairment and loss on disposal of asset	3,398	3,375	7,086	6,602
Amortization of intangible assets	4,292	4,685	8,405	9,514
Interest expense, net	606	578	963	1,216
Income tax expense (benefit)	3,435	(1,533)	4,498	(507)
Litigation related expense	(353)	8,539	53	8,899
Stock-based compensation expense	6,061	4,316	13,306	8,304
Acquisition related expense	(949)	(237)	1,825	316
Adjusted EBITDA	\$ 21,100	\$ 17,353	\$ 41,766	\$ 33,775

Adjusted EBITDA margin 22.3% 22.0% 22.8% 22.0%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Non-GAAP total product development:				
Product development	\$ 11,727	\$ 11,738	\$ 23,765	\$ 23,051
Less: Amortization of intangible assets	-	-	-	-
Stock-based compensation expense	721	1,002	1,852	2,064
Non-GAAP total product development:	\$ 11,006	\$ 10,736	\$ 21,913	\$ 20,987

Non-GAAP total product development as % of non-GAAP revenue: 11.7% 13.6% 11.9% 13.7%

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(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Non-GAAP total sales and marketing:				
Sales and marketing	\$ 23,924	\$ 18,588	\$ 46,826	\$ 35,394
Less: Amortization of intangible assets	2,264	2,323	4,410	4,734
Stock-based compensation expense	2,004	1,032	5,205	1,769
Non-GAAP total sales and marketing:	\$ 19,656	\$ 15,233	\$ 37,211	\$ 28,891

Non-GAAP total sales and marketing as % of non-GAAP revenue: 20.8% 19.3% 20.3% 18.8%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Non-GAAP total general and administrative:				
General and administrative	\$ 12,819	\$ 19,946	\$ 29,326	\$ 32,249
Less: Acquisition related expense	(949)	(237)	1,825	316
Stock-based compensation expense	2,660	1,532	4,823	3,032
Litigation related expense	(353)	8,539	53	8,899
Non-GAAP total general and administrative:	\$ 11,461	\$ 10,112	\$ 22,625	\$ 20,002

Non-GAAP total general and administrative as % of non-GAAP revenue: 12.1% 12.8% 12.3% 13.0%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Non-GAAP total operating expense:				
Operating expense	\$ 48,470	\$ 50,272	\$ 99,917	\$ 90,694
Less: Amortization of intangible assets	2,264	2,323	4,410	4,734
Acquisition related expense	(949)	(237)	1,825	316
Stock-based compensation expense	5,385	3,566	11,880	6,865
Litigation related expense	(353)	8,539	53	8,899
Non-GAAP total operating expense:	\$ 42,123	\$ 36,081	\$ 81,749	\$ 69,880

Non-GAAP total operating expense as % of non-GAAP revenue: 44.6% 45.8% 44.6% 45.6%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Non-GAAP operating income:				
Operating income (loss)	\$ 8,641	\$ (3,328)	\$ 10,811	\$ 54
Acquisition related deferred revenue adjustment	-	2	2	83
Amortization of intangible assets	4,292	4,685	8,405	9,514
Stock-based compensation expense	6,061	4,316	13,306	8,304
Acquisition related expense	(949)	(237)	1,825	316
Litigation related expense	(353)	8,539	53	8,899
Non-GAAP operating income	\$ 17,692	\$ 13,977	\$ 34,402	\$ 27,170

Non-GAAP operating margin 18.7% 17.7% 18.8% 17.7%

Reconciliation of GAAP to Non-GAAP Measures
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
Non-GAAP net income:				
Net income (loss)	\$ 4,610	\$ (2,372)	\$ 5,628	\$ (652)
Acquisition related deferred revenue adjustment	-	2	2	83
Amortization of intangible assets	4,292	4,685	8,405	9,514
Stock-based compensation expense	6,061	4,316	13,306	8,304
Acquisition related expense	(949)	(237)	1,825	316
Litigation related expense	(353)	8,539	53	8,899
Loss on disposal of assets	270	201	273	379
Subtotal of tax deductible items	9,321	17,506	23,864	27,495
Tax impact of tax deductible items ⁽¹⁾	(3,728)	(7,002)	(9,546)	(10,998)
Tax expense resulting from applying effective tax rate ⁽²⁾	217	29	448	(43)
Non-GAAP net income	\$ 10,420	\$ 8,161	\$ 20,394	\$ 15,802
Non-GAAP net income per share - diluted	\$ 0.14	\$ 0.11	\$ 0.27	\$ 0.22
Weighted average shares - diluted	75,781	71,102	75,665	70,846
Weighted average effect of dilutive securities	-	2,237	-	2,456
Non-GAAP weighted average shares - diluted	75,781	73,339	75,665	73,302

⁽¹⁾ Reflects the removal of the tax benefit associated with the amortization of intangible assets, stock-based compensation expense, acquisition related deferred revenue adjustment, acquisition related expense, litigation related expense and loss on disposal of assets.

⁽²⁾ Represents adjusting to a normalized effective tax rate of 40%.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Annualized Non-GAAP on demand revenue per average on demand unit:				
On demand revenue	\$ 90,825	\$ 74,938	\$ 176,147	\$ 145,656
Acquisition related deferred revenue adjustment	-	2	2	83
Non-GAAP on demand revenue	\$ 90,825	\$ 74,940	\$ 176,149	\$ 145,739
Ending on demand units	8,616	7,537	8,616	7,537
Average on demand units	8,580	7,484	8,455	7,425
Annualized Non-GAAP on demand revenue per average on demand unit	\$ 42.34	\$ 40.05	\$ 41.67	\$ 39.26
Annual customer value of on demand revenue ⁽¹⁾	\$ 364,801	\$ 301,857		

⁽¹⁾ This metric represents management's estimate for the current annual run-rate value of on demand customer relationships. This metric is calculated by multiplying ending on demand units times annualized Non-GAAP on demand revenue per average on demand unit for the periods presented.