

Condensed Consolidated Statements of Operations
For the Three Months Ended March 31, 2012 and 2011
(unaudited, in thousands, except per share data)

	Three Months Ended	
	March 31,	
	2012	2011
Revenue:		
On demand	\$ 70,718	\$ 52,937
On premise	1,416	1,645
Professional and other	2,283	2,966
Total revenue	<u>74,417</u>	<u>57,548</u>
Cost of revenue ⁽¹⁾	<u>30,613</u>	<u>24,683</u>
Gross profit	43,804	32,865
Operating expense:		
Product development ⁽¹⁾	11,313	10,316
Sales and marketing ⁽¹⁾	16,806	12,794
General and administrative ⁽¹⁾	12,303	9,776
Total operating expense	<u>40,422</u>	<u>32,886</u>
Operating income (loss)	3,382	(21)
Interest expense and other, net	<u>(636)</u>	<u>(1,166)</u>
Income (loss) before income taxes	2,746	(1,187)
Income tax expense (benefit)	1,026	(539)
Net income (loss)	<u>\$ 1,720</u>	<u>\$ (648)</u>
Net income (loss) per share		
Basic	\$ 0.02	\$ (0.01)
Diluted	\$ 0.02	\$ (0.01)
Weighted average shares used in computing net income (loss) per share		
Basic	70,590	66,800
Diluted	73,170	66,800

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

	Three Months Ended	
	March 31,	
	2012	2011
Cost of revenue	\$ 689	\$ 298
Product development	1,062	980
Sales and marketing	737	2,733
General and administrative	1,500	842
	<u>\$ 3,988</u>	<u>\$ 4,853</u>