

Reconciliation of GAAP to Non-GAAP Measures
For the Three and Six Months Ended June 30, 2011 and 2010
(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Total revenue:	\$ 61,635	\$ 44,809	\$ 119,183	\$ 86,187
Acquisition-related deferred revenue adjustment	244	-	244	-
Non-GAAP total revenue	<u>\$ 61,879</u>	<u>\$ 44,809</u>	<u>\$ 119,427</u>	<u>\$ 86,187</u>
Adjusted Gross Profit:				
Gross profit	\$ 35,825	\$ 26,275	\$ 68,690	\$ 49,795
Acquisition-related deferred revenue adjustment	244	-	244	-
Depreciation	1,519	1,347	3,009	2,619
Amortization of intangible assets	2,231	1,520	4,407	2,985
Stock-based compensation expense	312	144	610	267
Adjusted gross profit	<u>\$ 40,131</u>	<u>\$ 29,286</u>	<u>\$ 76,960</u>	<u>\$ 55,666</u>
Adjusted gross profit	64.9%	65.4%	64.4%	64.6%
Adjusted EBITDA:				
Net income (loss)	\$ 282	\$ 164	\$ (366)	\$ (39)
Acquisition-related deferred revenue adjustment	244	-	244	-
Depreciation, asset impairment and loss on sale of asset	2,750	2,595	5,874	5,051
Amortization of intangible assets	4,491	2,282	8,537	4,496
Interest expense, net	732	1,472	1,515	2,936
Income tax expense (benefit)	190	95	(349)	(23)
Litigation-related expense	36	-	356	-
Stock-based compensation expense	4,969	1,292	9,822	2,386
Acquisition-related expense	44	68	230	392
Adjusted EBITDA	<u>\$ 13,738</u>	<u>\$ 7,968</u>	<u>\$ 25,863</u>	<u>\$ 15,199</u>
Adjusted EBITDA Margin	22.2%	17.8%	21.7%	17.6%
Non-GAAP Total Product Development:				
Product Development	\$ 10,537	\$ 8,989	\$ 20,853	\$ 17,304
Less: Stock-based compensation expense	1,105	530	2,085	1,037
Non-GAAP Total Product Development:	<u>\$ 9,432</u>	<u>\$ 8,459</u>	<u>\$ 18,768</u>	<u>\$ 16,267</u>
Non-GAAP Total Product Development as % of Revenue:	15.2%	18.9%	15.7%	18.9%

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(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Non-GAAP Total Sales and Marketing:				
Sales and Marketing	\$ 14,510	\$ 8,825	\$ 27,304	\$ 16,365
Less: Amortization of intangible assets	2,260	762	4,130	1,511
Stock-based compensation expense	2,627	176	5,360	340
Non-GAAP Total Sales and Marketing:	<u>\$ 9,623</u>	<u>\$ 7,887</u>	<u>\$ 17,814</u>	<u>\$ 14,514</u>
Non-GAAP Total Sales and Marketing as % of Revenue:	15.6%	17.6%	14.9%	16.8%
Non-GAAP Total General and Administrative:				
General and Administrative	\$ 9,574	\$ 6,739	\$ 19,350	\$ 13,261
Less: Acquisition-related expense	44	68	230	392
Stock-based compensation expense	925	442	1,767	742
Litigation related expense	36	-	356	-
Non-GAAP Total General and Administrative:	<u>\$ 8,569</u>	<u>\$ 6,229</u>	<u>\$ 16,997</u>	<u>\$ 12,127</u>
Non-GAAP Total General and Administrative as % of Revenue:	13.8%	13.9%	14.2%	14.1%
Non-GAAP Total Operating Expenses:				
Operating Expenses	\$ 34,621	\$ 24,553	\$ 67,507	\$ 46,930
Less: Amortization of intangible assets	2,260	762	4,130	1,511
Acquisition-related expense	44	68	230	392
Stock-based compensation expense	4,657	1,148	9,212	2,119
Litigation related expense	36	-	356	-
Non-GAAP Total Operating Expenses:	<u>\$ 27,624</u>	<u>\$ 22,575</u>	<u>\$ 53,579</u>	<u>\$ 42,908</u>
Non-GAAP Total Operating Expenses as % of Revenue:	44.6%	50.4%	44.9%	49.8%
Non-GAAP Operating Income:				
Operating income	\$ 1,204	\$ 1,722	\$ 1,183	\$ 2,865
Acquisition-related deferred revenue adjustment	244	-	244	-
Amortization of intangible assets	4,491	2,282	8,537	4,496
Stock-based compensation expense	4,969	1,292	9,822	2,386
Acquisition-related expense	44	68	230	392
Litigation related expense	36	-	356	-
Non-GAAP operating income	<u>\$ 10,988</u>	<u>\$ 5,364</u>	<u>\$ 20,372</u>	<u>\$ 10,139</u>
Non-GAAP operating margin	17.8%	12.0%	17.1%	11.8%

Reconciliation of GAAP to Non-GAAP Measures
For the Three and Six Months Ended June 30, 2011 and 2010
(unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Non-GAAP Net Income:				
Net income (loss)	\$ 282	\$ 164	\$ (366)	\$ (39)
Acquisition-related deferred revenue adjustment	244	-	244	-
Amortization of intangible assets	4,491	2,282	8,537	4,496
Stock-based compensation expense	4,969	1,292	9,822	2,386
Acquisition-related expense	44	68	230	392
Litigation related expense	36	-	356	-
Loss on sale of assets	-	-	395	-
Subtotal of tax deductible items	9,784	3,642	19,584	7,274
Tax impact of tax deductible items ⁽¹⁾	(3,914)	(1,457)	(7,834)	(2,910)
Tax expense resulting from applying effective tax rate ⁽²⁾	1	(9)	(63)	2
Non-GAAP net income	<u>\$ 6,153</u>	<u>\$ 2,340</u>	<u>\$ 11,321</u>	<u>\$ 4,327</u>
Non-GAAP net income per share - diluted	\$ 0.09	\$ 0.04	\$ 0.16	\$ 0.08
Weighted average shares - diluted	72,012	26,042	67,741	25,901
Conversion of redeemable convertible preferred stock ⁽³⁾	-	29,044	-	29,044
Weighted average effect of dilutive securities	-	1,486	3,542	858
Non-GAAP weighted average shares - diluted	<u>72,012</u>	<u>56,572</u>	<u>71,283</u>	<u>55,843</u>

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

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

⁽³⁾ Represents common shares from the conversion of redeemable convertible preferred shares as if the shares were converted as of the beginning of the indicated period.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Annualized on demand revenue per average on demand unit:				
On demand revenue	\$ 57,039	\$ 40,089	\$ 109,976	\$ 77,296
Acquisition-related deferred revenue adjustment	244	-	244	-
Non-GAAP on demand revenue	<u>\$ 57,283</u>	<u>\$ 40,089</u>	<u>\$ 110,220</u>	<u>\$ 77,296</u>
Ending on demand units	6,381	5,206	6,381	5,206
Average on demand units	6,270	5,059	6,191	4,885
Annualized on demand revenue per average on demand unit	<u>\$ 36.54</u>	<u>\$ 31.70</u>	<u>\$ 35.61</u>	<u>\$ 31.58</u>
Annual value of on demand revenue ⁽¹⁾	\$ 233,162	\$ 165,030		

⁽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 on demand revenue per average on demand unit for the periods presented.