

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Revenue:				
On demand	\$ 94,084	\$ 78,973	\$ 270,231	\$ 224,629
On premise	838	1,226	2,799	3,903
Professional and other	3,149	3,040	8,473	7,916
Total revenue	<u>98,071</u>	<u>83,239</u>	<u>281,503</u>	<u>236,448</u>
Cost of revenue ⁽¹⁾	<u>38,111</u>	<u>32,897</u>	<u>110,815</u>	<u>95,358</u>
Gross profit	59,960	50,342	170,688	141,090
Operating expense:				
Product development ⁽¹⁾	13,232	12,274	36,997	35,325
Sales and marketing ⁽¹⁾	25,166	21,792	71,992	57,186
General and administrative ⁽¹⁾	15,554	12,545	44,880	44,794
Total operating expense	<u>53,952</u>	<u>46,611</u>	<u>153,869</u>	<u>137,305</u>
Operating income	6,008	3,731	16,819	3,785
Interest expense and other income, net	(236)	(407)	(921)	(1,620)
Income before income taxes	5,772	3,324	15,898	2,165
Income tax expense	(7,114)	1,211	(2,616)	704
Net income	<u>\$ 12,886</u>	<u>\$ 2,113</u>	<u>\$ 18,514</u>	<u>\$ 1,461</u>
Net income per share				
Basic	\$ 0.17	\$ 0.03	\$ 0.25	\$ 0.02
Diluted	\$ 0.17	\$ 0.03	\$ 0.24	\$ 0.02
Weighted average shares used in computing net income per share				
Basic	75,234	72,178	74,597	71,293
Diluted	76,347	74,282	75,900	73,689

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Cost of revenue	\$ 785	\$ 649	\$ 2,211	\$ 2,088
Product development	1,271	1,116	3,123	3,180
Sales and marketing	2,686	2,653	7,891	4,422
General and administrative	2,994	1,595	7,817	4,627
	<u>\$ 7,736</u>	<u>\$ 6,013</u>	<u>\$ 21,042</u>	<u>\$ 14,317</u>