## Reconciliation of GAAP to Non-GAAP Measures For the Three Months Ended March 31, 2014 and 2013 (unaudited, in thousands)

	Three Months Ended March 31,				
		2014		2013	
Non-GAAP revenue: Revenue (GAAP) Acquisition-related and other deferred revenue Non-GAAP revenue	\$ 	100,563 1,324 101.887	\$	88,981 <u>2</u> 88,983	
Non-GAAF Tevenue		Three Months Ended March 31,			
A.P. A. I. C.		2014		2013	
Adjusted gross profit: Gross profit (GAAP) Acquisition-related and other deferred revenue Depreciation	\$	60,636 1,324 1,858	\$	53,617 2 1,843	
Amortization of intangible assets Stock-based compensation expense Adjusted gross profit	\$	2,423 1,007 67,248	\$	1,967 750 58,179	
Adjusted gross profit margin		66.0%		65.4%	
	Three Months Ended March 31,			nded	
		2014		2013	
Adjusted EBITDA:  Net income (loss) (GAAP)  Acquisition-related and other deferred revenue  Depreciation, asset impairment and loss on disposal of asset	\$	(836) 1,324 4,209	\$	1,018 2 3,688	
Amortization of intangible assets Interest expense, net Income tax expense (benefit)		5,315 224 (511)		4,113 357 1,063	
Litigation-related expense Stock-based compensation expense Acquisition related expense		4,677 9,225 881		406 7,245 2,774	
Adjusted EBITDA	\$	24,508	\$	20,666	
Adjusted EBITDA margin		24.1%		23.2%	
	Three Months Ended March 31,				
Non-CAAD total available developments		2014		2013	
Non-GAAP total product development: Product development (GAAP) Less: Amortization of intangible assets	\$	14,841 1	\$	12,038	
Stock-based compensation expense Non-GAAP total product development:	\$	1,912 12,928	\$	1,131 10,907	
Non-GAAP total product development as % of non-GAAP revenue:		12.7%		12.3%	

## Reconciliation of GAAP to Non-GAAP Measures For the Three Months Ended March 31, 2014 and 2013 (unaudited, in thousands)

	Three Mon Marc			nths Ended h 31,		
		2014		2013		
Non-GAAP total sales and marketing:						
Sales and marketing (GAAP)	\$	25,991	\$	22,902		
Less: Amortization of intangible assets		2,892		2,146		
Stock-based compensation expense		3,143		3,201		
Non-GAAP total sales and marketing:	\$	19,956	\$	17,555		
Non-GAAP total sales and marketing as % of non-GAAP revenue:		19.6%		19.7%		
	Three Months Ended			nded		
	March 31			31,		
		2014		2013		
Non-GAAP total general and administrative:						
General and administrative (GAAP)	\$	20,929	\$	16,507		
Less: Acquisition related expense		881		2,774		
Stock-based compensation expense		3,163		2,163		
Litigation related expense		4,677		406		
Non-GAAP total general and administrative:	\$	12,208	\$	11,164		
Non-GAAP total general and administrative as % of non-GAAP revenue:		12.0%		12.5%		
	Three Months Ended			nded		
		2014	n 31,	2042		
New CAAD total an autinous autonomics		2014		2013		
Non-GAAP total operating expense:	Φ.	04 704	Φ.	E4 447		
Operating expense (GAAP)	\$	61,761	\$	51,447		
Less: Amortization of intangible assets		2,892		2,146		
Acquisition related expense		881		2,774		
Stock-based compensation expense		8,218		6,495		
Litigation related expense		4,677		406		
Non-GAAP total operating expense:	\$	45,093	\$	39,626		
Non-GAAP total operating expense as % of non-GAAP revenue:		44.3%		44.5%		
	Three Months					
	March 2014		2013			
Non-GAAP operating income:		2014		2013		
Operating income (loss) (GAAP)	\$	(1,125)	\$	2.170		
Acquisition-related and other deferred revenue	Ψ	1,324	Ψ	2,170		
Amortization of intangible assets		5,315		4,113		
				,		
Stock-based compensation expense		9,225		7,245		
Acquisition related expense		881		2,774		
Litigation related expense	_	4,677	_	406		
Non-GAAP operating income	\$	20,297	\$	16,710		
Non-GAAP operating margin		19.9%		18.8%		

## Reconciliation of GAAP to Non-GAAP Measures For the Three Months Ended March 31, 2014 and 2013 (unaudited, in thousands, except per share data)

	Three Months Ended March 31,				
		2014		2013	
Non-GAAP net income:		,			
Net income (loss) (GAAP)	\$	(836)	\$	1,018	
Acquisition-related and other deferred revenue		1,324		2	
Amortization of intangible assets		5,315		4,113	
Stock-based compensation expense		9,225		7,245	
Acquisition related expense		881		2,774	
Litigation related expense		4,677		406	
Loss on disposal of assets		20		3	
Subtotal of tax deductible items		21,442		14,543	
Tax impact of tax deductible items <sup>(1)</sup>		(8,577)		(5,817)	
Tax expense resulting from applying effective tax rate <sup>(2)</sup>		28		231	
Non-GAAP net income	\$	12,057	\$	9,975	
Non-GAAP net income per share - diluted	\$	0.16	\$	0.13	
Weighted average shares - diluted		76,722		75,454	
Weighted average effect of dilutive securities		746		-	
Non-GAAP weighted average shares - diluted		77,468		75,454	

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.

<sup>(2)</sup> Represents adjusting to a normalized effective tax rate of 40%.

	Three Months Ended March 31,			
	2014		2013	
Annualized Non-GAAP on demand revenue per average on demand unit:				
On demand revenue (GAAP)	\$	97,008	\$	85,322
Acquisition-related and other deferred revenue		1,324		2
Non-GAAP on demand revenue	\$	98,332	\$	85,324
Ending on demand units		9,285		8,545
Average on demand units		9,154		8,329
Annualized Non-GAAP on demand revenue per average on demand unit	\$	42.97	\$	40.98
Annual customer value of on demand revenue <sup>(1)</sup>	\$	398,976	\$	350,174

<sup>(1)</sup> 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.