



Detailed Historical Financials  
Q2FY14

# Safe Harbor

These slides may contain forward-looking statements. All statements other than statements of historical facts contained in these slides, including statements regarding Pandora Media's ("Pandora" or the "Company") future operations, future financial position, future revenue, projected expenses, opportunities, prospects and plans and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intent," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "continue," "objective," or the negative of these terms or similar expressions. The Company bases forward-looking statements largely on its estimates of its financial results and its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, short term and long-term business operations and objectives and financial needs. Forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, but not limited to, our operation in an emerging market and our relatively new and evolving business model, our ability to evaluate our current and future prospects, our ability to generate additional revenue on a cost-effective basis, our ability to attract and retain advertisers, our ability to increase our listener base and listener hours, our ability to continue operating under existing laws and licensing regimes and a number of other factors outside of our control. Further information on these factors and other risks that may affect our business is included in filings we make with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K and our quarterly Form 10-Q, particularly under the heading "Risk Factors." Moreover, the Company operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for Company management to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances and the accompanying oral presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Any forward-looking statement speaks only as of its date. Except as required by law, the Company undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in the Company's expectations.

# Statements of Operations

Pandora Media Inc.  
Condensed Consolidated Statements of Operations  
Year Ended January 31  
(In thousands, except per share amounts)  
(Unaudited, except as noted)

|   | (Audited)<br>FY2011 | (Audited)<br>FY2012 | 1Q13               | 2Q13              | 3Q13            | 4Q13               | (Audited)<br>FY2013 | 1Q14               | 2Q14              |
|---|---------------------|---------------------|--------------------|-------------------|-----------------|--------------------|---------------------|--------------------|-------------------|
| <b>Revenue</b>  |                     |                     |                    |                   |                 |                    |                     |                    |                   |
| Advertising   | \$ 119,333          | \$ 239,957          | \$ 70,597          | \$ 89,384         | \$ 106,258      | \$ 108,979         | \$ 375,218          | \$ 105,146         | \$ 128,520        |
| Subscription services and other   | 18,431              | 34,383              | 10,187             | 11,883            | 13,747          | 16,110             | 51,927              | 20,364             | 28,835            |
| <b>Total revenue</b>  | <b>137,764</b>      | <b>274,340</b>      | <b>80,784</b>      | <b>101,267</b>    | <b>120,005</b>  | <b>125,089</b>     | <b>427,145</b>      | <b>125,510</b>     | <b>157,355</b>    |
| <b>Costs and expenses</b>   |                     |                     |                    |                   |                 |                    |                     |                    |                   |
| Cost of revenue - Content acquisition costs   | 69,357              | 148,708             | 55,818             | 60,522            | 65,713          | 76,695             | 258,748             | 82,853             | 81,880            |
| Cost of revenue - Other (1)   | 11,559              | 22,759              | 6,917              | 7,514             | 8,338           | 9,250              | 32,019              | 9,779              | 11,037            |
| Product development (1)   | 6,736               | 13,425              | 4,119              | 4,475             | 4,371           | 5,153              | 18,118              | 7,033              | 7,926             |
| Sales and marketing (1)   | 36,250              | 65,010              | 23,460             | 23,457            | 26,714          | 34,084             | 107,715             | 40,083             | 45,794            |
| General and administrative (1)  | 14,183              | 35,428              | 10,612             | 10,602            | 12,700          | 14,333             | 48,247              | 14,209             | 18,352            |
| <b>Total costs and expenses</b>   | <b>138,085</b>      | <b>285,330</b>      | <b>100,926</b>     | <b>106,570</b>    | <b>117,836</b>  | <b>139,515</b>     | <b>464,847</b>      | <b>153,957</b>     | <b>164,989</b>    |
| <b>Income (loss) from operations</b>  | <b>(321)</b>        | <b>(10,990)</b>     | <b>(20,142)</b>    | <b>(5,303)</b>    | <b>2,169</b>    | <b>(14,426)</b>    | <b>(37,702)</b>     | <b>(28,447)</b>    | <b>(7,634)</b>    |
| <b>Other income (expense)</b>   |                     |                     |                    |                   |                 |                    |                     |                    |                   |
| Interest income   | 31                  | 59                  | 32                 | 25                | 19              | 19                 | 95                  | 15                 | 10                |
| Interest expense  | (612)               | (616)               | (124)              | (136)             | (137)           | (138)              | (535)               | (143)              | (150)             |
| Other income (expense), net   | (728)               | (4,485)             | -                  | -                 | 1               | (2)                | (1)                 | 1                  | 4                 |
| <b>Income (loss) before provision for income taxes</b>  | <b>(1,630)</b>      | <b>(16,032)</b>     | <b>(20,234)</b>    | <b>(5,414)</b>    | <b>2,052</b>    | <b>(14,547)</b>    | <b>(38,143)</b>     | <b>(28,574)</b>    | <b>(7,770)</b>    |
| Income tax benefit (expense)  | (134)               | (75)                | 6                  | (1)               | -               | (10)               | (5)                 | (13)               | (17)              |
| <b>Net income (loss)</b>  | <b>\$ (1,764)</b>   | <b>\$ (16,107)</b>  | <b>\$ (20,228)</b> | <b>\$ (5,415)</b> | <b>\$ 2,052</b> | <b>\$ (14,557)</b> | <b>\$ (38,148)</b>  | <b>\$ (28,587)</b> | <b>\$ (7,787)</b> |
| Accretion of redeemable convertible preferred stock   | (300)               | (110)               | -                  | -                 | -               | -                  | -                   | -                  | -                 |
| Increase in cumulative dividends payable upon conversion or liquidation of redeemable convertible preferred stock | (8,978)             | (3,648)             | -                  | -                 | -               | -                  | -                   | -                  | -                 |
| <b>Net income (loss) attributable to common stockholders</b>  | <b>\$ (11,042)</b>  | <b>\$ (19,865)</b>  | <b>\$ (20,228)</b> | <b>\$ (5,415)</b> | <b>\$ 2,052</b> | <b>\$ (14,557)</b> | <b>\$ (38,148)</b>  | <b>\$ (28,587)</b> | <b>\$ (7,787)</b> |
| Basic net income (loss) per share attributable to common stockholders   | \$ (1.03)           | \$ (0.19)           | \$ (0.12)          | \$ (0.03)         | \$ 0.01         | \$ (0.09)          | \$ (0.23)           | \$ (0.16)          | \$ (0.04)         |
| Weighted-average number of shares used in computing basic per share amounts                                       | 10,761              | 105,955             | 165,404            | 167,429           | 169,391         | 170,887            | 168,294             | 173,579            | 175,343           |
| Diluted net income (loss) per share attributable to common stockholders   | \$ (1.03)           | \$ (0.19)           | \$ (0.12)          | \$ (0.03)         | \$ 0.01         | \$ (0.09)          | \$ (0.23)           | \$ (0.16)          | \$ (0.04)         |
| Weighted-average number of shares used in computing diluted per share amounts                                     | 10,761              | 105,955             | 165,404            | 167,429           | 190,278         | 170,887            | 168,294             | 173,579            | 175,343           |
| (1) Amounts include stock-based compensation expenses as follows:   |                     |                     |                    |                   |                 |                    |                     |                    |                   |
| Cost of revenue - Other   | \$ 85               | \$ 582              | \$ 263             | \$ 304            | \$ 333          | \$ 314             | \$ 1,214            | \$ 456             | \$ 495            |
| Product development   | 329                 | 1,638               | 986                | 1,185             | 1,180           | 1,179              | 4,530               | 1,763              | 2,525             |
| Sales and marketing   | 549                 | 4,866               | 2,930              | 2,738             | 3,186           | 3,440              | 12,294              | 4,848              | 5,138             |
| General and administrative  | 492                 | 2,101               | 1,321              | 1,810             | 2,374           | 1,957              | 7,462               | 314                | 2,384             |
| <b>Total stock-based compensation expenses</b>  | <b>\$ 1,455</b>     | <b>\$ 9,187</b>     | <b>\$ 5,500</b>    | <b>\$ 6,037</b>   | <b>\$ 7,073</b> | <b>\$ 6,890</b>    | <b>\$ 25,500</b>    | <b>\$ 7,381</b>    | <b>\$ 10,542</b>  |

# Balance Sheets

Pandora Media Inc.  
Condensed Consolidated Balance Sheets  
Year Ended January 31  
(In thousands)  
(Unaudited, except as noted)

|   | (Audited)<br>FY2011 | (Audited)<br>FY2012 | 1Q13              | 2Q13              | 3Q13              | (Audited)<br>FY 2013 | 1Q14              | 2Q14              |
|---|---------------------|---------------------|-------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| <b>Assets</b>   |                     |                     |                   |                   |                   |                      |                   |                   |
| <b>Current assets</b>   |                     |                     |                   |                   |                   |                      |                   |                   |
| Cash and cash equivalents   | \$ 43,048           | \$ 44,126           | \$ 44,690         | \$ 49,539         | \$ 57,725         | \$ 65,725            | \$ 55,435         | \$ 53,610         |
| Short-term investments  | -                   | 46,455              | 35,900            | 32,758            | 22,778            | 23,247               | 19,983            | 15,304            |
| Accounts receivable, net  | 42,212              | 66,738              | 70,531            | 80,387            | 97,864            | 103,410              | 105,318           | 122,880           |
| Prepaid expenses and other current assets   | 3,516               | 2,806               | 3,247             | 3,551             | 4,409             | 6,232                | 6,198             | 7,138             |
| <b>Total current assets</b>   | <b>88,776</b>       | <b>160,125</b>      | <b>154,368</b>    | <b>166,235</b>    | <b>182,776</b>    | <b>198,614</b>       | <b>186,934</b>    | <b>198,932</b>    |
| Property and equipment, net   | 8,683               | 15,576              | 15,246            | 16,104            | 16,387            | 17,758               | 20,866            | 23,256            |
| Other long-term assets  | 1,750               | 2,314               | 2,247             | 2,154             | 2,612             | 2,460                | 2,338             | 13,164            |
| <b>Total assets</b>   | <b>\$ 99,209</b>    | <b>\$ 178,015</b>   | <b>\$ 171,861</b> | <b>\$ 184,493</b> | <b>\$ 201,775</b> | <b>\$ 218,832</b>    | <b>\$ 210,138</b> | <b>\$ 235,352</b> |
| <b>Liabilities, redeemable convertible preferred stock and stockholders' equity (deficit)</b> |                     |                     |                   |                   |                   |                      |                   |                   |
| <b>Current liabilities</b>  |                     |                     |                   |                   |                   |                      |                   |                   |
| Accounts payable  | \$ 1,965            | \$ 2,053            | \$ 1,595          | \$ 3,473          | \$ 3,615          | \$ 4,471             | \$ 7,471          | \$ 7,112          |
| Accrued liabilities   | 5,532               | 3,838               | 5,642             | 4,440             | 6,234             | 7,590                | 8,371             | 9,908             |
| Accrued royalties   | 18,080              | 33,822              | 38,136            | 40,353            | 44,430            | 53,083               | 55,712            | 52,813            |
| Deferred revenue  | 15,910              | 19,232              | 21,741            | 24,145            | 26,976            | 29,266               | 37,299            | 43,848            |
| Accrued compensation  | 3,815               | 11,962              | 9,517             | 14,572            | 11,719            | 21,560               | 16,284            | 19,890            |
| Current portion of long-term debt   | 6,759               | -                   | -                 | -                 | -                 | -                    | -                 | -                 |
| <b>Total current liabilities</b>  | <b>52,061</b>       | <b>70,907</b>       | <b>76,631</b>     | <b>86,983</b>     | <b>92,974</b>     | <b>115,970</b>       | <b>125,137</b>    | <b>133,571</b>    |
| Long-term debt  | 837                 | -                   | -                 | -                 | -                 | -                    | -                 | 10,000            |
| Preferred stock warrant liability   | 1,027               | -                   | -                 | -                 | -                 | -                    | -                 | -                 |
| Other long-term liabilities   | 1,632               | 2,568               | 3,380             | 3,292             | 4,064             | 3,873                | 3,571             | 3,563             |
| <b>Total liabilities</b>  | <b>55,557</b>       | <b>73,475</b>       | <b>80,011</b>     | <b>90,275</b>     | <b>97,038</b>     | <b>119,843</b>       | <b>128,708</b>    | <b>147,134</b>    |
| Redeemable convertible preferred stock  | 126,662             | -                   | -                 | -                 | -                 | -                    | -                 | -                 |
| <b>Stockholders' equity (deficit):</b>  |                     |                     |                   |                   |                   |                      |                   |                   |
| Common stock  | 1                   | 16                  | 17                | 17                | 17                | 17                   | 17                | 18                |
| Additional paid-in capital  | 2,308               | 205,955             | 213,489           | 221,272           | 229,742           | 238,552              | 249,570           | 264,201           |
| Accumulated deficit   | (85,319)            | (101,426)           | (121,654)         | (127,069)         | (125,017)         | (139,574)            | (168,161)         | (175,948)         |
| Accumulated other comprehensive income (loss)   | -                   | (5)                 | (2)               | (2)               | (5)               | (6)                  | 4                 | (53)              |
| <b>Total stockholders' equity (deficit)</b>   | <b>(83,010)</b>     | <b>104,540</b>      | <b>91,850</b>     | <b>94,218</b>     | <b>104,737</b>    | <b>98,989</b>        | <b>81,430</b>     | <b>88,218</b>     |
| <b>Total liabilities, redeemable convertible preferred stock and stockholders' equity</b>     | <b>\$ 99,209</b>    | <b>\$ 178,015</b>   | <b>\$ 171,861</b> | <b>\$ 184,493</b> | <b>\$ 201,775</b> | <b>\$ 218,832</b>    | <b>\$ 210,138</b> | <b>\$ 235,352</b> |

# Statements of Cash Flows

Pandora Media Inc.  
Condensed Consolidated Statements of Cash Flows  
Year Ended January 31  
(In thousands)  
(Unaudited, except as noted)

|  | (Audited)<br>FY2011 | (Audited)<br>FY2012 | 1Q13             | 2Q13             | 3Q13             | 4Q13             | (Audited)<br>FY2013 | 1Q14             | 2Q14             |
|--|---------------------|---------------------|------------------|------------------|------------------|------------------|---------------------|------------------|------------------|
| <b>Operating Activities</b>  |                     |                     |                  |                  |                  |                  |                     |                  |                  |
| Net income (loss)  | \$ (1,764)          | \$ (16,107)         | \$ (20,228)      | \$ (5,415)       | \$ 2,052         | \$ (14,557)      | \$ (38,148)         | \$ (28,587)      | \$ (7,787)       |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: |                     |                     |                  |                  |                  |                  |                     |                  |                  |
| Depreciation and amortization  | 1,578               | 4,455               | 1,541            | 1,795            | 1,811            | 1,929            | 7,076               | 2,132            | 2,770            |
| (Gain) loss on disposition of assets   | (15)                | 296                 | 32               | (9)              | -                | -                | 23                  | -                | -                |
| Stock-based compensation   | 1,612               | 9,187               | 5,500            | 6,037            | 7,073            | 6,890            | 25,500              | 7,381            | 10,542           |
| Remeasurement of preferred stock warrants  | 869                 | 4,499               | -                | -                | -                | -                | -                   | -                | -                |
| Amortization of premium on investments   | -                   | 246                 | 92               | 100              | 87               | 81               | 360                 | 42               | 11               |
| Amortization of debt issuance costs and debt discount  | 4                   | 190                 | 66               | 66               | 66               | 66               | 264                 | 66               | 66               |
| Changes in assets and liabilities:   |                     |                     |                  |                  |                  |                  |                     |                  |                  |
| Accounts receivable  | (22,979)            | (24,526)            | (3,793)          | (9,856)          | (17,477)         | (5,546)          | (36,672)            | (1,908)          | (17,562)         |
| Prepaid expenses and other assets  | (2,421)             | 156                 | (433)            | (243)            | (1,360)          | (1,716)          | (3,752)             | 97               | (789)            |
| Accounts payable and accrued liabilities   | 5,482               | (865)               | 1,022            | 695              | 2,815            | 431              | 4,963               | 2,927            | 2,320            |
| Accrued royalties  | 9,036               | 15,742              | 4,314            | 2,217            | 4,077            | 8,653            | 19,261              | 2,629            | (2,899)          |
| Accrued compensation   | 2,375               | 8,147               | (2,445)          | 5,055            | (2,853)          | 9,841            | 9,598               | (5,420)          | 3,962            |
| Deferred revenue   | 9,763               | 3,322               | 2,509            | 2,404            | 2,831            | 2,290            | 10,034              | 8,033            | 6,549            |
| Reimbursement of cost of leasehold improvements  | -                   | 616                 | 1,243            | -                | -                | -                | 1,243               | -                | 498              |
| <b>Net cash provided by (used in) operating activities</b>   | <b>3,540</b>        | <b>5,358</b>        | <b>(10,580)</b>  | <b>2,846</b>     | <b>(878)</b>     | <b>8,362</b>     | <b>(250)</b>        | <b>(12,608)</b>  | <b>(2,319)</b>   |
| <b>Investing Activities</b>  |                     |                     |                  |                  |                  |                  |                     |                  |                  |
| Purchases of property and equipment  | (8,211)             | (11,644)            | (1,243)          | (2,644)          | (2,094)          | (1,599)          | (7,580)             | (4,434)          | (6,197)          |
| Purchases of patents   | -                   | -                   | -                | -                | -                | -                | -                   | -                | (8,000)          |
| Changes in restricted cash   | -                   | -                   | -                | -                | -                | -                | -                   | -                | (3,200)          |
| Purchases of short-term investments  | -                   | (66,890)            | (17,641)         | (17,452)         | (15,031)         | (15,044)         | (65,168)            | (10,761)         | (7,066)          |
| Proceeds from maturities of short-term investments   | -                   | 19,984              | 28,100           | 20,460           | 24,900           | 14,473           | 87,933              | 13,980           | 11,730           |
| Payments related to acquisition  | -                   | -                   | -                | -                | -                | -                | -                   | -                | (400)            |
| <b>Net cash provided by (used in) investing activities</b>   | <b>(8,211)</b>      | <b>(58,550)</b>     | <b>9,216</b>     | <b>364</b>       | <b>7,775</b>     | <b>(2,170)</b>   | <b>15,185</b>       | <b>(1,215)</b>   | <b>(13,133)</b>  |
| <b>Financing Activities</b>  |                     |                     |                  |                  |                  |                  |                     |                  |                  |
| Borrowings under debt arrangements   | 3,644               | -                   | -                | -                | -                | -                | -                   | -                | 10,000           |
| Repayments of debt   | (392)               | (7,596)             | -                | -                | -                | -                | -                   | -                | -                |
| Proceeds from issuance of common stock   | 548                 | 2,074               | 1,928            | 1,639            | 1,498            | 1,812            | 6,877               | 3,530            | 3,688            |
| Tax withholdings related to net share settlements of restricted stock units                        | -                   | -                   | -                | -                | (208)            | -                | (208)               | -                | -                |
| Proceeds from exercise of preferred stock warrants   | -                   | 165                 | -                | -                | -                | -                | -                   | -                | -                |
| Proceeds from early exercise of stock options  | 1,705               | -                   | -                | -                | -                | -                | -                   | -                | -                |
| Proceeds from issuance of redeemable convertible preferred stock, net                              | 22,206              | -                   | -                | -                | -                | -                | -                   | -                | -                |
| Proceeds from initial public offering, net of offering costs                                       | -                   | 90,632              | -                | -                | -                | -                | -                   | -                | -                |
| Proceeds from issuance of common stock to directors for cash                                       | 3,800               | -                   | -                | -                | -                | -                | -                   | -                | -                |
| Excess tax benefit from stock compensation plans   | 44                  | -                   | -                | -                | -                | -                | -                   | -                | -                |
| Payment of dividends to preferred stockholders   | -                   | (31,005)            | -                | -                | -                | -                | -                   | -                | -                |
| <b>Net cash provided by financing activities</b>   | <b>31,555</b>       | <b>54,270</b>       | <b>1,928</b>     | <b>1,639</b>     | <b>1,290</b>     | <b>1,812</b>     | <b>6,669</b>        | <b>3,530</b>     | <b>13,688</b>    |
| Effects of foreign currency translation on cash and cash equivalents                               | -                   | -                   | -                | -                | (1)              | (4)              | (5)                 | 3                | (61)             |
| Net increase (decrease) in cash and cash equivalents   | 26,884              | 1,078               | 564              | 4,849            | 8,186            | 8,000            | 21,599              | (10,290)         | (1,825)          |
| Cash and cash equivalents at beginning of period   | 16,164              | 43,048              | 44,126           | 44,690           | 49,539           | 57,725           | 44,126              | 65,725           | 55,435           |
| <b>Cash and cash equivalents at end of period</b>  | <b>\$ 43,048</b>    | <b>\$ 44,126</b>    | <b>\$ 44,690</b> | <b>\$ 49,539</b> | <b>\$ 57,725</b> | <b>\$ 65,725</b> | <b>\$ 65,725</b>    | <b>\$ 55,435</b> | <b>\$ 53,610</b> |

# Monetization: RPM History

Pandora Media, Inc.  
Monetization: RPM History  
(Unaudited)

|  | FY2012   | FY2013   |          |          |          | FY       | FY2014   |          |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
|  | FY       | Q1       | Q2       | Q3       | Q4       |          | Q1       | Q2       |
| <b>Advertising RPM</b>                     |          |          |          |          |          |          |          |          |
| Traditional computer                       | \$ 62.68 | \$ 46.52 | \$ 57.14 | \$ 58.03 | \$ 53.53 | \$ 53.73 | \$ 48.16 | \$ 59.31 |
| Mobile and other connected devices         | \$ 21.05 | \$ 17.88 | \$ 22.17 | \$ 25.59 | \$ 23.51 | \$ 22.53 | \$ 23.23 | \$ 33.90 |
| Total advertising                          | \$ 32.22 | \$ 24.82 | \$ 29.48 | \$ 32.40 | \$ 29.26 | \$ 29.13 | \$ 28.02 | \$ 38.87 |
| <b>Total RPM</b>                           |          |          |          |          |          |          |          |          |
| Traditional computer                       | \$ 58.84 | \$ 45.54 | \$ 55.02 | \$ 56.40 | \$ 52.82 | \$ 52.36 | \$ 48.04 | \$ 57.37 |
| Mobile and other connected devices         | \$ 21.93 | \$ 18.86 | \$ 23.32 | \$ 26.96 | \$ 25.05 | \$ 23.83 | \$ 25.31 | \$ 36.17 |
| Total                                      | \$ 33.32 | \$ 26.09 | \$ 30.68 | \$ 33.73 | \$ 30.86 | \$ 30.49 | \$ 30.01 | \$ 40.52 |
| <b>Total RPM Based on non-GAAP Revenue</b> |          |          |          |          |          |          |          |          |
| Traditional computer                       | \$ 58.86 | \$ 45.64 | \$ 55.19 | \$ 56.50 | \$ 53.00 | \$ 52.50 | \$ 48.33 | \$ 57.75 |
| Mobile and other connected devices         | \$ 22.01 | \$ 19.16 | \$ 23.81 | \$ 27.23 | \$ 25.50 | \$ 24.21 | \$ 26.15 | \$ 37.59 |
| Total                                      | \$ 33.38 | \$ 26.33 | \$ 31.09 | \$ 33.96 | \$ 31.25 | \$ 30.82 | \$ 30.74 | \$ 41.73 |

# Quarterly Metrics

| Fiscal Year | Period | Registered Users<br>(MM) | Active Users<br>(MM) | Listener Hours<br>(B) | Internet Radio<br>Share | US Radio Share<br>7-day Avg | US Radio Share<br>28-day Avg | Employees |
|-------------|--------|--------------------------|----------------------|-----------------------|-------------------------|-----------------------------|------------------------------|-----------|
| 2009        | Q1     | 13                       | 3                    | -                     | -                       | -                           | -                            | -         |
| 2009        | Q2     | 15                       | 4                    | -                     | -                       | -                           | -                            | -         |
| 2009        | Q3     | 18                       | 6                    | -                     | -                       | -                           | -                            | -         |
| 2009        | Q4     | 22                       | 7                    | -                     | -                       | -                           | -                            | -         |
| 2010        | Q1     | 26                       | 9                    | 0.4                   | -                       | -                           | -                            | -         |
| 2010        | Q2     | 32                       | 10                   | 0.4                   | -                       | -                           | -                            | -         |
| 2010        | Q3     | 38                       | 13                   | 0.4                   | -                       | -                           | -                            | -         |
| 2010        | Q4     | 45                       | 16                   | 0.6                   | -                       | -                           | -                            | -         |
| 2011        | Q1     | 53                       | 18                   | 0.7                   | -                       | -                           | -                            | -         |
| 2011        | Q2     | 61                       | 21                   | 0.8                   | -                       | 1.8                         | -                            | 204       |
| 2011        | Q3     | 71                       | 24                   | 1.0                   | 53                      | 2.1                         | -                            | 250       |
| 2011        | Q4     | 82                       | 29.3                 | 1.33                  | 58.3                    | 2.71                        | -                            | 295       |
| 2012        | Q1     | 94                       | 34.0                 | 1.61                  | 57.6*                   | 3.11                        | 3.24                         | 359       |
| 2012        | Q2     | 100+                     | 37.1                 | 1.83                  | 59.4                    | 3.59                        | 3.38                         | 427       |
| 2012        | Q3     | 100+                     | 40.3                 | 2.12                  | 66.0                    | 4.27                        | 4.19                         | 481       |
| 2012        | Q4     | 125+                     | 47.6                 | 2.67                  | 69.8                    | 5.55                        | 5.25                         | 530       |
| 2013        | Q1     | 150+                     | 51.9                 | 3.09                  | (Mar) 71.7              | 5.95                        | 5.86                         | 568       |
| 2013        | Q2     | 150+                     | 54.9                 | 3.30                  | (Jun) 72.7              | 6.13                        | 6.02                         | 589       |
| 2013        | Q3     | 175+                     | 59.2                 | 3.56                  | 75.1                    | 6.55                        | 6.61                         | 662       |
| 2013        | Q4     | 175+                     | 65.6                 | 4.05                  | 77.3                    | 8.03                        | 7.68                         | 740       |
| 2014        | Q1     | 200+                     | 70.1                 | 4.18                  | 74.9                    | x                           | 7.33                         | 883       |
| 2014        | Q2     | 200+                     | 71.2                 | 3.88                  | (Jun) 70.4              | x                           | 7.08                         | 964       |

\* share impacted by loss of data due to a collection failure

x metric discontinued as of March FY2014

# Monthly Metrics

| Fiscal Year | Month     | Active Users<br>(MM) | Listener Hours<br>(B) | US Radio Share<br>7-day Avg | US Radio Share<br>28-day Avg |
|-------------|-----------|----------------------|-----------------------|-----------------------------|------------------------------|
| 2012        | February  | 31.0                 | 0.483                 | 2.90                        | 2.97                         |
| 2012        | March     | 32.0                 | 0.567                 | 3.04                        | 3.12                         |
| 2012        | April     | 34.0                 | 0.566                 | 3.11                        | 3.24                         |
| 2012        | May       | 35.1                 | 0.592                 | 3.08                        | 3.28                         |
| 2012        | June      | 36.1                 | 0.605                 | 3.37                        | 3.44                         |
| 2012        | July      | 37.1                 | 0.637                 | 3.59                        | 3.38                         |
| 2012        | August    | 38.0                 | 0.682                 | 3.67                        | 3.58                         |
| 2012        | September | 39.0                 | 0.687                 | 4.03                        | 3.90                         |
| 2012        | October   | 40.3                 | 0.754                 | 4.27                        | 4.19                         |
| 2012        | November  | 43.1                 | 0.798                 | 4.32                        | 4.49                         |
| 2012        | December  | 47.6                 | 0.905                 | 4.71                        | 4.94                         |
| 2012        | January   | 47.6                 | 0.952                 | 5.55                        | 5.25                         |
| 2013        | February  | 49.0                 | 0.975                 | 5.74                        | 5.58                         |
| 2013        | March     | 51.0                 | 1.00                  | 5.79                        | 5.73                         |
| 2013        | April     | 51.9                 | 1.06                  | 5.95                        | 5.86                         |
| 2013        | May       | 53.3                 | 1.10                  | 5.80                        | 5.89                         |
| 2013        | June      | 54.5                 | 1.08                  | 5.98                        | 5.92                         |
| 2013        | July      | 54.9                 | 1.12                  | 6.13                        | 6.02                         |
| 2013        | August    | 56.2                 | 1.16                  | 6.30                        | 6.19                         |
| 2013        | September | 58.3                 | 1.15                  | 6.53                        | 6.38                         |
| 2013        | October   | 59.2                 | 1.25                  | 6.55                        | 6.61                         |
| 2013        | November  | 62.4                 | 1.27                  | 7.09                        | 7.17                         |
| 2013        | December  | 67.1                 | 1.39                  | 7.19                        | 7.58                         |
| 2013        | January   | 65.6                 | 1.39                  | 8.03                        | 7.68                         |
| 2014        | February  | 67.7                 | 1.38                  | 8.48                        | 8.25                         |
| 2014        | March     | 69.5                 | 1.49                  | x                           | 8.05                         |
| 2014        | April     | 70.1                 | 1.31                  | x                           | 7.33                         |
| 2014        | May       | 70.8                 | 1.35                  | x                           | 7.29                         |
| 2014        | June      | 71.1                 | 1.25                  | x                           | 7.04                         |
| 2014        | July      | 71.2                 | 1.28                  | x                           | 7.08                         |

x metric discontinued as of March FY2014



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