

Rosetta Stone Inc.
Business Metrics
(in thousands)

	Quarter-Ended				
	3/31/10	6/30/10	9/30/10	12/31/10	2010
Net Bookings by Market					
US Consumer	41,631	38,746	41,138	52,243	173,758
International Consumer	10,029	8,177	9,860	15,176	43,242
Worldwide Consumer	51,660	46,923	50,998	67,419	217,000
Worldwide Institutional	9,108	17,110	22,307	14,395	62,920
Total	60,768	64,033	73,305	81,814	279,920
YoY Growth (%)					
US Consumer	6%	-9%	-19%	-11%	-9%
International Consumer	304%	168%	135%	93%	146%
Worldwide Consumer	23%	3%	-7%	1%	4%
Worldwide Institutional	8%	28%	5%	37%	18%
Total	21%	9%	-4%	6%	7%
% of Total Net Bookings					
US Consumer	69%	60%	56%	64%	62%
International Consumer	16%	13%	14%	18%	15%
Worldwide Consumer	85%	73%	70%	82%	78%
Worldwide Institutional	15%	27%	30%	18%	23%
Total	100%	100%	100%	100%	100%
Revenue by Market					
US Consumer	41,407	38,748	36,902	44,516	161,573
International Consumer	9,815	7,651	9,708	15,516	42,690
Worldwide Consumer	51,222	46,399	46,610	60,032	204,263
Worldwide Institutional	11,792	14,249	14,316	14,248	54,605
Total	63,014	60,648	60,926	74,280	258,868
YoY Growth (%)					
US Consumer	5%	-8%	-28%	-25%	-16%
International Consumer	297%	154%	137%	101%	147%
Worldwide Consumer	22%	3%	-16%	-10%	-2%
Worldwide Institutional	39%	23%	21%	26%	26%
Total	25%	7%	-9%	-5%	3%
% of Total Revenue					
US Consumer	66%	64%	61%	60%	62%
International Consumer	15%	13%	16%	21%	17%
Worldwide Consumer	81%	77%	77%	81%	79%
Worldwide Institutional	19%	23%	23%	19%	21%
Total	100%	100%	100%	100%	100%

	Quarter-Ended				
	3/31/11	6/30/11	9/30/11	12/31/11	2011
US Consumer	29,814	36,828	35,562	54,786	156,990
International Consumer	14,996	12,910	11,945	14,589	54,440
Worldwide Consumer	44,810	49,738	47,507	69,375	211,430
Worldwide Institutional	10,770	16,973	18,555	15,459	61,757
Total	55,580	66,711	66,062	84,834	273,187
US Consumer	-28%	-5%	-14%	5%	-10%
International Consumer	50%	58%	21%	-4%	26%
Worldwide Consumer	-13%	6%	-7%	3%	-3%
Worldwide Institutional	18%	-1%	-17%	7%	-2%
Total	-9%	4%	-10%	4%	-2%
US Consumer	54%	55%	54%	65%	57%
International Consumer	27%	20%	18%	17%	20%
Worldwide Consumer	81%	75%	72%	82%	77%
Worldwide Institutional	19%	25%	28%	18%	23%
Total	100%	100%	100%	100%	100%
US Consumer	28,061	38,606	37,710	52,794	157,171
International Consumer	14,601	12,014	11,002	13,238	50,855
Worldwide Consumer	42,662	50,620	48,712	66,032	208,026
Worldwide Institutional	14,316	16,123	15,490	14,494	60,423
Total	56,978	66,743	64,202	80,526	268,449
US Consumer	-32%	0%	2%	19%	-3%
International Consumer	49%	57%	13%	-15%	19%
Worldwide Consumer	-17%	9%	5%	10%	2%
Worldwide Institutional	21%	13%	8%	2%	11%
Total	-10%	10%	5%	8%	4%
US Consumer	49%	58%	59%	66%	58%
International Consumer	26%	18%	17%	16%	19%
Worldwide Consumer	75%	76%	76%	82%	77%
Worldwide Institutional	25%	24%	24%	18%	23%
Total	100%	100%	100%	100%	100%

	Quarter-Ended				
	3/31/12	6/30/12	9/30/12	12/31/12	2012
US Consumer	41,237				
International Consumer	13,046				
Worldwide Consumer	54,283				
Worldwide Institutional	10,984				
Total	65,267				
US Consumer	38%				
International Consumer	-13%				
Worldwide Consumer	21%				
Worldwide Institutional	2%				
Total	17%				
US Consumer	63%				
International Consumer	20%				
Worldwide Consumer	83%				
Worldwide Institutional	17%				
Total	100%				
US Consumer	42,671				
International Consumer	12,617				
Worldwide Consumer	55,288				
Worldwide Institutional	14,161				
Total	69,449				
US Consumer	52%				
International Consumer	-14%				
Worldwide Consumer	30%				
Worldwide Institutional	-1%				
Total	22%				
US Consumer	62%				
International Consumer	18%				
Worldwide Consumer	80%				
Worldwide Institutional	20%				
Total	100%				

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	Quarter-Ended						Quarter-Ended						Quarter-Ended				
	3/31/10	6/30/10	9/30/10	12/31/10	2010		3/31/11	6/30/11	9/30/11	12/31/11	2011		3/31/12	6/30/12	9/30/12	12/31/12	2012
Consumer Revenue by Channel																	
DTC	31,026	25,142	27,500	34,496	118,164		31,856	30,984	31,177	42,368	136,385		36,839				
Kiosk	9,391	8,683	7,392	9,533	34,999		7,312	7,368	6,987	8,504	30,171		6,483				
Global Retail	9,608	11,200	9,832	15,413	46,053		2,585	10,752	9,015	14,265	36,616		10,999				
Home School	1,197	1,374	1,886	590	5,047		909	1,516	1,533	895	4,854		967				
Total	51,222	46,399	46,610	60,032	204,263		42,662	50,620	48,712	66,032	208,026		55,288				
YoY Growth (%)																	
DTC	24%	-5%	-6%	-2%	2%		3%	23%	13%	23%	15%		16%				
Kiosk	14%	-7%	-25%	-28%	-14%		-22%	-15%	-5%	-11%	-14%		-11%				
Global Retail	34%	46%	-27%	-12%	0%		-73%	-4%	-8%	-7%	-20%		325%				
Home School	-19%	-12%	-28%	-50%	-26%		-24%	10%	-19%	52%	-4%		6%				
Total	22%	3%	-16%	-10%	-2%		-17%	9%	5%	10%	2%		30%				
% of Total Consumer Revenue																	
DTC	61%	54%	59%	57%	58%		75%	61%	64%	64%	66%		66%				
Kiosk	18%	19%	16%	16%	17%		17%	15%	14%	13%	15%		12%				
Global Retail	19%	24%	21%	26%	23%		6%	21%	19%	22%	17%		20%				
Home School	2%	3%	4%	1%	2%		2%	3%	3%	1%	2%		2%				
Total	100%	100%	100%	100%	100%		100%	100%	100%	100%	100%		100%				
Unit Metrics Updated																	
Consumer unit volume (in thousands)	132.1	120.0	128.3	173.4	553.8		114.2	139.9	145.7	221.7	621.5		190.8				
Average Net Revenue per Unit	\$ 388	\$ 387	\$ 363	\$ 346	\$ 369		\$ 374	\$ 362	\$ 334	\$ 298	\$ 335		\$ 290				
YoY Unit Metrics Growth (%)																	
Consumer unit volume	10%	-3%	-18%	-11%	-7%		-14%	17%	14%	28%	12%		67%				
Average Net Revenue per Unit	12%	7%	3%	1%	5%		-4%	-6%	-8%	-14%	-9%		-22%				
# of Kiosks (end of period)																	
US	190	186	180	173	173		144	117	114	103	103		57				
Europe	9	10	13	15	15		15	16	14	13	13		1				
Asia Pacific	41	50	64	71	71		78	76	69	58	58		44				
Total # of Kiosks (end of period)	240	246	257	259	259		237	209	197	174	174		102				
Revenues by Geography																	
United States	52,476	52,139	50,390	57,624	212,629		41,271	53,418	51,708	65,725	212,122		54,914				
International	10,538	8,509	10,536	16,656	46,239		15,707	13,325	12,494	14,801	56,327		14,535				
Total	63,014	60,648	60,926	74,280	258,868		56,978	66,743	64,202	80,526	268,449		69,449				
Revenues by Geography (as a %)																	
United States	83%	86%	83%	78%	82%		72%	80%	81%	82%	79%		79%				
International	17%	14%	17%	22%	18%		28%	20%	19%	18%	21%		21%				
Total	100%	100%	100%	100%	100%		100%	100%	100%	100%	100%		100%				