

## Reconciliation of FASB ASC Earnings Per Share to Non-ASC Earnings Per Share

### Non-ASC Financial Measure

In addition to disclosing financial results calculated in accordance with accounting principles generally accepted in the United States, this table contains a reconciliation from FASB Accounting Standards Codification, or ASC, to non-ASC financial measure for the three and nine months ended September 30, 2009 and 2008. The Company believes that the non-ASC financial measure included in the table provides meaningful supplemental information to both management and investors that is indicative of the Company's core operating results. The Company believes this non-ASC financial measure facilitates comparison of operating results across reporting periods, and uses this non-ASC financial measure when evaluating its financial results, as well as for internal planning and forecasting purposes. This non-ASC financial measure should not be considered a substitute for, or superior to, financial measures calculated in accordance with ASC.

The Company's effective tax rate for the three and nine months ended September 30, 2009 increased to 43% and 44%, respectively, from -67% and -29% for the comparable periods in 2008. The Company's effective tax rate for the three and nine months ended September 30, 2009 differs from the statutory rate primarily due to the impact of stock-based compensation expense. In comparison, during the three and nine months ended September 30, 2008, the Company had an effective tax rate of -67% and -29%, respectively, including the tax benefit from reversing its valuation allowance of \$9.8 million against deferred tax assets, which was offset by federal and state alternative minimum taxes and other state taxes. Previously, the Company concluded it did not meet the "more likely than not" threshold to reverse the valuation allowance required under the income taxes topic of the FASB Accounting Standards Codification.

Due to the Company's sustained profitability, it estimates its future effective tax rate to be approximately 44% of income before taxes. This rate is subject to the impact of nondeductible stock-based compensation expense offset by any tax deductions from disqualifying dispositions. The following table includes the Company's effective tax rate of 43% and 44% for the three and nine months ended September 30, 2009, respectively, and assumes for comparison purpose the *same* effective tax rates for the comparable periods in 2008.

### Reconciliation of ASC Earnings Per Share to Non-ASC Earnings Per Share:

	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Three Months Ended September 30, 2008	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2008	
	ASC EPS As Reported	ASC EPS As Reported	Assumed 43% Effective Tax Rate (1)	Non-ASC EPS	ASC EPS As Reported	ASC EPS As Reported	Assumed 44% Effective Tax Rate (2)	Non-ASC EPS
<i>(in thousands, except per share data)</i>								
<b>Numerator:</b>								
Net Income	\$ 9,462	\$ 15,428		\$ 15,428	\$ 23,278	\$ 26,006		\$ 26,006
Adjustment to increase assumed effective tax rate	-	-	(10,162)	(10,162)	-	-	(14,679)	(14,679)
Net income	<u>\$ 9,462</u>	<u>\$ 15,428</u>		<u>\$ 5,266</u>	<u>\$ 23,278</u>	<u>\$ 26,006</u>		<u>\$ 11,327</u>
<b>Denominator:</b>								
Weighted average shares of common stock outstanding - basic	17,089	16,535		16,535	16,909	16,336		16,336
Dilutive effect of common equivalent shares	876	1,219		1,219	983	1,280		1,280
Weighted average shares of common stock outstanding - diluted	<u>17,965</u>	<u>17,754</u>		<u>17,754</u>	<u>17,892</u>	<u>17,616</u>		<u>17,616</u>
<b>Net income per share:</b>								
Basic	<u>\$ 0.55</u>	<u>\$ 0.93</u>		<u>\$ 0.32</u>	<u>\$ 1.38</u>	<u>\$ 1.59</u>		<u>\$ 0.69</u>
Diluted	<u>\$ 0.53</u>	<u>\$ 0.87</u>		<u>\$ 0.30</u>	<u>\$ 1.30</u>	<u>\$ 1.48</u>		<u>\$ 0.64</u>

(1) Assumes an effective tax rate of 43% for the three months ended September 30, 2008, as compared to our actual ASC tax rate of -67% for such period.

(2) Assumes an effective tax rate of 44% for the nine months ended September 30, 2008, as compared to our actual ASC tax rate of -29% for such period.