

GAAP Statement of Operations - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands, except share and per share amounts)</i>	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Revenue	\$ 30,097	\$ 30,004	\$ 28,329	\$ 31,763	\$ 27,992	\$ 27,098	\$ 26,347	\$ 29,434	\$ 24,379
Cost of revenue (1) (2)	6,549	6,520	6,842	7,033	6,811	6,863	6,913	6,727	6,290
Gross profit	23,548	23,484	21,487	24,730	21,181	20,235	19,434	22,707	18,089
Operating expenses (1) (2):									
Sales and marketing	15,565	15,627	16,039	13,538	13,824	15,743	13,497	11,656	12,339
Research and development	5,760	5,147	4,971	4,659	4,512	4,410	4,155	4,253	4,010
General and administrative	6,344	6,678	8,530	6,311	5,525	6,822	6,421	7,596	6,484
Total operating expenses	27,669	27,452	29,540	24,508	23,861	26,975	24,073	23,505	22,833
(Loss) income from operations	(4,121)	(3,968)	(8,053)	222	(2,680)	(6,740)	(4,639)	(798)	(4,744)
Other income (expense):									
Interest income (expense), net	67	54	28	10	11	(1)	(21)	(42)	(60)
Other income (expense), net	36	13	57	36	90	(8)	55	101	14
Total other income (expense)	103	67	85	46	101	(9)	34	59	(46)
(Loss) income before income taxes	(4,018)	(3,901)	(7,968)	268	(2,579)	(6,749)	(4,605)	(739)	(4,790)
Income tax expense (benefit)	37	84	88	(5,567)	(27)	(22)	(42)	(59)	1
Net (loss) income	\$ (4,055)	\$ (3,985)	\$ (8,056)	\$ 5,835	\$ (2,552)	\$ (6,727)	\$ (4,563)	\$ (680)	\$ (4,791)
Net (loss) income per share:									
Basic	\$ (0.15)	\$ (0.15)	\$ (0.31)	\$ 0.23	\$ (0.10)	\$ (0.26)	\$ (0.18)	\$ (0.03)	\$ (0.19)
Diluted	\$ (0.15)	\$ (0.15)	\$ (0.31)	\$ 0.21	\$ (0.10)	\$ (0.26)	\$ (0.18)	\$ (0.03)	\$ (0.19)
Weighted average common shares outstanding:									
Basic	26,439,830	26,380,031	26,056,881	25,878,260	25,723,749	25,520,847	25,292,405	25,188,595	25,110,212
Diluted	26,439,830	26,380,031	26,056,881	27,577,027	25,723,749	25,520,847	25,292,405	25,188,595	25,110,212
(1) Includes stock-based compensation as follows:									
Cost of revenue	\$ 259	\$ 197	\$ 297	\$ 318	\$ 330	\$ 342	\$ 269	\$ 215	\$ 238
Sales and marketing	970	1,214	776	1,124	1,161	1,369	1,121	599	1,208
Research and development	588	503	568	477	496	546	443	394	397
General and administrative	1,023	1,454	1,283	1,136	878	1,660	1,592	1,356	1,254
Total stock-based compensation	\$ 2,840	\$ 3,368	\$ 2,924	\$ 3,055	\$ 2,865	\$ 3,917	\$ 3,425	\$ 2,564	\$ 3,097
(2) Includes depreciation and amortization as follows:									
Cost of revenue	\$ 933	\$ 1,066	\$ 1,059	\$ 1,135	\$ 1,109	\$ 1,145	\$ 1,243	\$ 1,450	\$ 1,336
Sales and marketing	283	256	273	283	266	280	307	351	334
Research and development	102	111	111	113	111	112	122	148	136
General and administrative	287	270	290	346	420	423	423	481	535
Total depreciation and amortization	\$ 1,605	\$ 1,703	\$ 1,733	\$ 1,877	\$ 1,906	\$ 1,960	\$ 2,095	\$ 2,430	\$ 2,341

Non-GAAP Statement of Operations - Quarterly (see Non-GAAP reconciliation on following page)

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands)</i>	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Revenue	\$ 30,097	\$ 30,004	\$ 28,329	\$ 31,763	\$ 27,992	\$ 27,098	\$ 26,347	\$ 29,434	\$ 24,379
Cost of revenue	6,290	6,323	6,545	6,715	6,481	6,521	6,644	6,512	6,052
Gross profit	23,807	23,681	21,784	25,048	21,511	20,577	19,703	22,922	18,327
Operating expenses:									
Sales and marketing	14,595	14,413	15,263	12,414	12,663	14,374	12,376	11,057	11,131
Research and development	5,172	4,644	4,403	4,182	4,016	3,864	3,712	3,859	3,613
General and administrative	5,321	5,224	4,708	5,175	4,647	5,162	4,829	5,131	5,230
Total operating expenses	25,088	24,281	24,374	21,771	21,326	23,400	20,917	20,047	19,974
(Loss) income from operations	(1,281)	(600)	(2,590)	3,277	185	(2,823)	(1,214)	2,875	(1,647)
Other income (expense):									
Interest income (expense), net	67	54	28	10	11	(1)	(21)	(42)	(60)
Other income (expense), net	36	13	57	36	90	(8)	55	101	14
Total other income (expense)	103	67	85	46	101	(9)	34	59	(46)
(Loss) income before income taxes	(1,178)	(533)	(2,505)	3,323	286	(2,832)	(1,180)	2,934	(1,693)
Income tax expense (benefit)	37	84	88	(5,567)	(27)	(22)	(42)	(59)	1
Net (loss) income	\$ (1,215)	\$ (617)	\$ (2,593)	\$ 8,890	\$ 313	\$ (2,810)	\$ (1,138)	\$ 2,993	\$ (1,694)

GAAP to Non-GAAP Reconciliation - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands)</i>	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
GAAP Gross profit as reported	\$ 23,548	\$ 23,484	\$ 21,487	\$ 24,730	\$ 21,181	\$ 20,235	\$ 19,434	\$ 22,707	\$ 18,089
Add: Stock-based compensation - Cost of revenue	259	197	297	318	330	342	269	215	238
Non-GAAP Gross profit	\$ 23,807	\$ 23,681	\$ 21,784	\$ 25,048	\$ 21,511	\$ 20,577	\$ 19,703	\$ 22,922	\$ 18,327
GAAP (Loss) income from operations as reported	\$ (4,121)	\$ (3,968)	\$ (8,053)	\$ 222	\$ (2,680)	\$ (6,740)	\$ (4,639)	\$ (798)	\$ (4,744)
Add: Stock-based compensation - Cost of revenue	259	197	297	318	330	342	269	215	238
Add: Stock-based compensation - S&M	970	1,214	776	1,124	1,161	1,369	1,121	599	1,208
Add: Stock-based compensation - R&D	588	503	568	477	496	546	443	394	397
Add: Stock-based compensation - G&A	1,023	1,454	1,283	1,136	878	1,660	1,592	1,356	1,254
Add: One-time charge for VDAs related to sales taxes	—	—	2,539	—	—	—	—	—	—
Add: Headquarters relocation and related costs	—	—	—	—	—	—	—	1,109	—
Non-GAAP (Loss) income from operations	\$ (1,281)	\$ (600)	\$ (2,590)	\$ 3,277	\$ 185	\$ (2,823)	\$ (1,214)	\$ 2,875	\$ (1,647)
GAAP Net (loss) income as reported	\$ (4,055)	\$ (3,985)	\$ (8,056)	\$ 5,835	\$ (2,552)	\$ (6,727)	\$ (4,563)	\$ (680)	\$ (4,791)
Add: Stock-based compensation - Cost of revenue	259	197	297	318	330	342	269	215	238
Add: Stock-based compensation - S&M	970	1,214	776	1,124	1,161	1,369	1,121	599	1,208
Add: Stock-based compensation - R&D	588	503	568	477	496	546	443	394	397
Add: Stock-based compensation - G&A	1,023	1,454	1,283	1,136	878	1,660	1,592	1,356	1,254
Add: One-time charge for VDAs related to sales taxes	—	—	2,539	—	—	—	—	—	—
Add: Headquarters relocation and related costs	—	—	—	—	—	—	—	1,109	—
Non-GAAP Net (loss) income	\$ (1,215)	\$ (617)	\$ (2,593)	\$ 8,890	\$ 313	\$ (2,810)	\$ (1,138)	\$ 2,993	\$ (1,694)