

**Rosetta Stone Inc.**  
**Business Metrics**  
(in thousands)

	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
<b>Bookings by Market</b>										
US Consumer	41,631	38,746	41,138	52,243	173,758	29,814				
Worldwide Institutional	9,108	17,110	22,307	14,395	62,920	10,770				
International Consumer	10,029	8,177	9,860	15,176	43,242	14,996				
	<b>60,768</b>	<b>64,033</b>	<b>73,305</b>	<b>81,814</b>	<b>279,920</b>	<b>55,580</b>				
<b>YoY Growth (%)</b>										
US Consumer	6%	-9%	-19%	-11%	-9%	-28%				
Worldwide Institutional	8%	28%	5%	37%	18%	18%				
International Consumer	304%	168%	135%	93%	146%	50%				
<b>Total</b>	<b>21%</b>	<b>9%</b>	<b>-4%</b>	<b>6%</b>	<b>7%</b>	<b>-9%</b>				
<b>% of Total Bookings</b>										
US Consumer	69%	60%	56%	64%	62%	54%				
Worldwide Institutional	15%	27%	30%	18%	23%	19%				
International Consumer	16%	13%	14%	18%	15%	27%				
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>				
<b>Revenue by Market</b>										
US Consumer	41,407	38,748	36,902	44,516	161,573	28,061				
Worldwide Institutional	11,793	14,249	14,316	14,247	54,605	14,316				
International Consumer	9,814	7,651	9,708	15,517	42,690	14,601				
	<b>63,014</b>	<b>60,648</b>	<b>60,926</b>	<b>74,280</b>	<b>258,868</b>	<b>56,978</b>				
<b>YoY Growth (%)</b>										
US Consumer	5%	-8%	-28%	-25%	-16%	-32%				
Worldwide Institutional	39%	23%	21%	26%	26%	21%				
International Consumer	297%	154%	137%	101%	147%	49%				
<b>Total</b>	<b>25%</b>	<b>7%</b>	<b>-9%</b>	<b>-5%</b>	<b>3%</b>	<b>-10%</b>				
<b>% of Total Revenue</b>										
US Consumer	66%	64%	61%	60%	62%	49%				
Worldwide Institutional	19%	23%	23%	19%	21%	25%				
International Consumer	15%	13%	16%	21%	17%	26%				
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>				

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<b>Global Consumer Revenue by Channel</b>										
DTC	31,025	25,142	27,500	34,497	118,164	31,856				
Kiosk	9,391	8,683	7,392	9,533	34,999	7,312				
Global Retail	10,805	12,574	11,718	16,003	51,100	3,494				
	<b>51,221</b>	<b>46,399</b>	<b>46,610</b>	<b>60,033</b>	<b>204,263</b>	<b>42,662</b>				
<b>YoY Growth (%)</b>										
DTC	24%	-5%	-6%	-2%	2%	3%				
Kiosk	14%	-7%	-25%	-28%	-14%	-22%				
Global Retail	25%	36%	-27%	-14%	-3%	-68%				
	<b>22%</b>	<b>3%</b>	<b>-16%</b>	<b>-10%</b>	<b>-2%</b>	<b>-17%</b>				
<b>% Revenue by Channel</b>										
DTC	61%	54%	59%	57%	58%	75%				
Kiosk	18%	19%	16%	16%	17%	17%				
Global Retail	21%	27%	25%	27%	25%	8%				
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>				
<b>Unit Metrics <sup>(1)</sup></b>										
Consumer unit volume (in thousands)	132.1	120.0	128.3	173.4	553.8	114.2				
Average Net Revenue per Unit	\$ 391	\$ 391	\$ 397	\$ 389	\$ 392	\$ 392				
<b>YoY Unit Metrics Growth (%)</b>										
Consumer unit volume	10%	-3%	-18%	-11%	-7%	-14%				
Consumer average sales price per unit	12%	6%	14%	14%	12%	0%				
<b># of Kiosks (end of period)</b>										
US	190	186	180	173	173	144				
Europe	9	10	13	15	15	15				
Asia Pacific	41	50	64	71	71	78				
Total # of Kiosks (end of period)	240	246	257	259	259	237				

(1) Unit metrics have been adjusted from prior presentations to reflect the reclassification of home-school sales from the institutional channel to the consumer channels.