Groupon, Inc. Condensed Consolidated Balance Sheets (in thousands, except share and per share amounts)

| Care and assets | | Ma | rch 31, 2017 | December 31, 2016 | | | | |
|---|--|----|--------------|-------------------|-------------|--|--|--|
| Current tassets: 8 690,975 \$ 862,977 Accounts receivable, net 63,732 71,272 Prepaid expenses and other current assets 88,512 94,441 Current assets of discontinued operations 88,212 10,913 Total current assets 158,222 10,913 Property, equipment and software, net 158,222 10,945 Goodwill 275,978 275,978 Intangible assets, net 37,959 42,915 Intestinents (including \$112,606 and \$110,066 at March 31,2017 and December 31, 145,003 14,882 Deferred income taxes 5,118 5,118 5,188 One-current assets of discontinued operations 18,300 23,484 No-current assets of discontinued operations 8,188 5,188 5,188 Offerered income taxes 18,300 28,518 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 5,1618 <t< th=""><th></th><th>(u</th><th>inaudited)</th><th></th><th></th></t<> | | (u | inaudited) | | | | | |
| Cash and cash equivalents \$ 690,975 \$ 862,977 Accounts receivable, net 63,732 71,272 Prepaid expenses and other current assets 88,512 94,441 Current assets of discontinued operations — 63,246 Total current assets 843,219 1,091,936 Property, equipment and software, net 158,222 169,452 Goodwill 275,978 224,551 Integration (cluding \$112,006 and \$110,066 at March 31,2017 and December 31, 2016, respectively, at fair value) 145,003 141,882 Deferred income taxes 5,118 5,151 5,151 Other non-current assets of discontinued operations — 9,220 2,24,84 Non-current assets of discontinued operations — 9,220 1,20,06 Total Asset \$ 1,883,305 \$ 1,761,373 Labrities and Equity * 1,882,335 \$ 1,803,30 \$ 2,855 Accrued merchant and supplier payable \$ 1,883,35 \$ 7,0992 Accrued expenses and other current liabilities 35,531 366,456 Courrent liabilities of discontinued operations — 9,202 1,213,051 Cour | Assets | | | | | | | |
| Accounts receivable, net 63,732 71,272 Prepaid expenses and other current assets 88,512 94,441 Current assets of discontinued operations 63,246 10,919,396 Property, equipment and software, net 158,222 169,452 Goodwill 275,978 274,551 Intragible assets, net 37,997 274,551 Intragible assets, net 37,997 42,915 Intragible assets, net 37,998 42,915 Intragible assets, net 37,998 42,915 Intragible assets, net 31,500 and \$110,066 at March 31, 2017 and December 31, 2016, respectively, at l'air value) 141,882 Deferred income taxes 5,118 5,151 Other non-current assets of discontinued operations 5,183 5,151 Other non-current assets of discontinued operations 4,830 23,484 Non-current assets of discontinued operations 5,183 5,151 Tabalities and Equity 5,151 Current liabilities 5,151 5,151 Accrued merchant and supplier payables 5,188,005 28,551 Accrued emerchant and supplier payables 5,188,005 28,551 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations 5,188 5,199 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations 9,202 1,213,051 Convertible senior notes, net 181,582 17,992 Accrued come taxes 1,745 1,744 Other non-current liabilities 97,000 99,028 Non-current liabilities 97,000 99,028 Non-current liabilities 97,000 99,028 Non-current liabilities 97,000 99,028 Non-current liabilities 7,400 7,400 Additional paid-in-capital 7,400 7,400 Additional paid-in-ca | Current assets: | | | | | | | |
| Prepaid expenses and other current assets 88,512 94,441 Current assets of discontinued operations — 63,246 Total current assets 483,219 1,091,306 Property, equipment and software, net 158,222 169,452 Goodwill 275,978 274,551 Intangible assets, net 37,995 42,915 Investments (including \$112,006 and \$110,066 at March 31,2017 and December 31, 2016, respectively, at fair value) 144,003 141,882 Deferred income taxes \$1,188 5,118 5,118 Other non-current assets of discontinued operations 8 1,803 2,3484 Non-current assets of discontinued operations 8 1,803 2,3484 Non-current assets of discontinued operations 8 1,803 2,3484 Non-current assets of discontinued operations 8 1,803 2,8484 Accounts payable \$18,805 \$2,8551 2,8551 Accounts payable \$18,805 \$2,8551 35,531 366,456 Current liabilities of discontinued operations —9 1,213,051 1,214 1, | Cash and cash equivalents | \$ | 690,975 | \$ | 862,977 | | | |
| Current assets of discontinued operations — 6.32.46 Total current assets 848,219 1.091.936 Property, equipment and software, net 158,222 164,522 Goodwill 275,978 2.24.515 Intungible assets, net 37,995 42,915 Investments (including \$112,606 and \$110,066 at March 31, 2017 and December 31, 2016, respectively, at fair value) 145,003 141,882 Deferred income taxes 5,118 5,151 5,151 Other non-current assets 18,300 23,484 Non-current assets of discontinued operations 18,300 23,484 Non-current assets of discontinued operations 18,805 2,851 Total Assets 8 18,805 2,851 Accumus payable 8 18,805 2,851 Accruend errechant and supplier payables 637,693 770,992 Accrued cxpenses and other current liabilities 335,531 366,556 Current liabilities of discontinued operations 9 92,029 1,213,01 Convertible senior notes, net 181,582 178,993 1,212,40 1 | Accounts receivable, net | | 63,732 | | 71,272 | | | |
| Total current assets R43,219 1,091,936 Property, equipment and software, net | Prepaid expenses and other current assets | | 88,512 | | 94,441 | | | |
| Property, equipment and software, net 158,222 169,452 Goodwill 275,978 274,551 Intangible assets, net 37,995 42,915 Intengible assets, net 37,995 42,915 Investments (including \$112,606 and \$110,066 at March 31, 2017 and December 31, 2016, respectively, at fair value) 145,003 141,882 Deferred income taxes 5,118 5,118 5,151 Other non-current assets of discontinued operations 5,18 3,348 Non-current assets of discontinued operations -12,006 12,006 Total Assets \$18,805 \$1,761,377 Liabilities and Equity User this liabilities 2,28,551 Accrued merchant and supplier payables 637,693 770,992 Accrued expenses and other current liabilities 335,331 366,456 Current liabilities of discontinued operations 990,209 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,741 Other non-current liabilities of discontinued operations 9,209 9,628 Non-current liabilit | Current assets of discontinued operations | | _ | | 63,246 | | | |
| Goodwill 275,978 274,551 Intangible assets, net 37,995 42,915 Investments (including \$112,606 and \$110,066 at March 31,2017 and December 31, 2016, respectively, at fair value) 145,003 141,882 Deferred income taxes 5,118 5,151 Other non-current assets 18,300 23,484 Non-current assets of discontinued operations - 12,006 Total Assets \$ 1,483,833 1,761,377 Libilities and Equity Current liabilities Accrued merchant and supplier payables 637,693 70,992 Accrued expenses and other current liabilities 335,531 36,645 Current liabilities of discontinued operations 992,009 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,274 1,794 Non-current liabilities of discontinued operations 9,009 9,028 Non-current liabilities of discontinued operations 3,12,244 1,496,315 Total Current liabilities 3,12,244 1,496,315 Common stock, par value \$0,0001 per share | Total current assets | | 843,219 | | 1,091,936 | | | |
| Intengible assets, net 37,995 42,915 Investments (including \$112,606 and \$110,066 at March 31, 2017 and December 31, 2016, respectively, at fair value) 1415,803 141,882 Deferred income taxes 5,118 5,118 5,151 Other non-current assets of discontinued operations 5 18,300 23,484 Non-current assets of discontinued operations 5 1,300 1,300 Total Asset 5 1,483,385 2 1,761 Unrent liabilities 5 1,800 2 2,851 Accounts payable \$ 18,805 \$ 28,551 Accured merchant and supplier payables 6 37,693 770,992 Accrued expenses and other current liabilities 335,531 36,645 Current liabilities of discontinued operations 92,029 12,130,51 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Onn-current liabilities of discontinued operations 97,090 9,628 Non-current liabilities of discontinued operations 1,272,446 1,496,315 <td>Property, equipment and software, net</td> <td></td> <td>158,222</td> <td></td> <td>169,452</td> | Property, equipment and software, net | | 158,222 | | 169,452 | | | |
| Investments (including \$112,606 and \$110,066 at March 31, 2017 and December 31, 2016, respectively, at fair value) Deferred income taxes | Goodwill | | 275,978 | | 274,551 | | | |
| 2016, respectively, at fair value) 145,003 141,882 Deferred income taxes 5,118 5,151 Other non-current assets 18,300 23,484 Non-current assets of discontinued operations — 12,006 Total Assets \$ 1,483,835 \$ 1,761,377 Liabilities and Equity S 18,805 \$ 28,551 Accounts payable \$ 18,805 \$ 28,551 Accound merchant and supplier payables 637,693 770,992 Accrued expenses and other current liabilities 335,331 366,456 Current liabilities of discontinued operations — 47,002 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities of discontinued operations — 99,628 Non-current liabilities of discontinued operations — 99,628 Commitments and contingencies — 1,272,446 1,496,315 Total Liabilities — 2,227 7 <tr< td=""><td>Intangible assets, net</td><td></td><td>37,995</td><td></td><td>42,915</td></tr<> | Intangible assets, net | | 37,995 | | 42,915 | | | |
| Other non-current assets of discontinued operations 18,300 23,484 Non-current assets of discontinued operations ———————————————————————————————————— | | | 145,003 | | 141,882 | | | |
| Non-current assets of discontinued operations — 12,006 Total Assets \$ 1,483,835 \$ 1,761,377 Liabilities and Equity Current liabilities Accounts payable \$ 18,805 \$ 28,551 Accrued merchant and supplier payables 637,693 770,902 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations — 47,052 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities of discontinued operations — 92,927 2,927 Total Liabilities of discontinued operations — 7,909 99,628 Non-current liabilities of discontinued operations — 7,909 99,628 Non-current liabilities of discontinued operations — 7,909 99,628 Non-current liabilities of discontinued operations — 7,909 99,628 Total Liabilities Total Liabilities — 7,909 99,628 Total Liabilities of discon | Deferred income taxes | | 5,118 | | 5,151 | | | |
| Total Assets S | Other non-current assets | | 18,300 | | 23,484 | | | |
| Current liabilities Current liabilities Current liabilities S | Non-current assets of discontinued operations | | <u> </u> | | 12,006 | | | |
| Current liabilities: Accounts payable \$ 18,805 \$ 28,551 Accrued merchant and supplier payables 637,693 770,992 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations ———————————————————————————————————— | Total Assets | \$ | 1,483,835 | \$ | 1,761,377 | | | |
| Accounts payable \$ 18,805 \$ 28,51 Accrued merchant and supplier payables 637,693 770,992 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations — 47,052 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,274,40 1,496,315 Commitments and contingencies — 2,927 Stockholders' Equity — 2 2,927 Common stock, par value \$0,0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares (833,451) (807,424) Accumulated othe | Liabilities and Equity | | | | | | | |
| Accrued merchant and supplier payables 637,693 770,992 Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations — 47,052 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies *** **Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockh | Current liabilities: | | | | | | | |
| Accrued expenses and other current liabilities 335,531 366,456 Current liabilities of discontinued operations — 47,052 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies — 2,927 Stockholders' Equity — 2,927 Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 564,835,863 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 <t< td=""><td>Accounts payable</td><td>\$</td><td>18,805</td><td>\$</td><td>28,551</td></t<> | Accounts payable | \$ | 18,805 | \$ | 28,551 | | | |
| Current liabilities of discontinued operations — 47,052 Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies — 2,927 Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 <t< td=""><td>Accrued merchant and supplier payables</td><td></td><td>637,693</td><td></td><td>770,992</td></t<> | Accrued merchant and supplier payables | | 637,693 | | 770,992 | | | |
| Total current liabilities 992,029 1,213,051 Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies **** **Total Liabilities** **Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 7441,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Accrued expenses and other current liabilities | | 335,531 | | 366,456 | | | |
| Convertible senior notes, net 181,582 178,995 Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies **** Stockholders' Equity ***** Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Current liabilities of discontinued operations | | <u> </u> | | 47,052 | | | |
| Deferred income taxes 1,745 1,714 Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies — 50,000 Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and \$62,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and \$64,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Total current liabilities | | 992,029 | | 1,213,051 | | | |
| Other non-current liabilities 97,090 99,628 Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Convertible senior notes, net | | 181,582 | | 178,995 | | | |
| Non-current liabilities of discontinued operations — 2,927 Total Liabilities 1,272,446 1,496,315 Commitments and contingencies Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Deferred income taxes | | 1,745 | | 1,714 | | | |
| Total Liabilities 1,272,446 1,496,315 Commitments and contingencies Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Other non-current liabilities | | 97,090 | | 99,628 | | | |
| Commitments and contingencies Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Non-current liabilities of discontinued operations | | | | 2,927 | | | |
| Stockholders' Equity Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Total Liabilities | | 1,272,446 | | 1,496,315 | | | |
| Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Commitments and contingencies | | | | | | | |
| 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and 736,531,771 shares issued and 564,835,863 shares outstanding at December 31, 2016 74 74 Additional paid-in capital 2,127,405 2,112,728 Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Stockholders' Equity | | | | | | | |
| Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | 741,388,884 shares issued and 562,356,295 shares outstanding at March 31, 2017 and | | 74 | | 74 | | | |
| Treasury stock, at cost, 179,032,589 shares at March 31, 2017 and 171,695,908 shares at December 31, 2016 (833,451) (807,424) Accumulated deficit (1,126,658) (1,099,010) Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Additional paid-in capital | | 2,127,405 | | 2,112,728 | | | |
| Accumulated other comprehensive income (loss) 42,795 58,052 Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | | | | | | | | |
| Total Groupon, Inc. Stockholders' Equity 210,165 264,420 Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Accumulated deficit | | (1,126,658) | | (1,099,010) | | | |
| Noncontrolling interests 1,224 642 Total Equity 211,389 265,062 | Accumulated other comprehensive income (loss) | | 42,795 | | 58,052 | | | |
| Total Equity 211,389 265,062 | Total Groupon, Inc. Stockholders' Equity | | 210,165 | | 264,420 | | | |
| | Noncontrolling interests | | 1,224 | | 642 | | | |
| Total Liabilities and Equity \$ 1,483,835 \$ 1,761,377 | Total Equity | | 211,389 | | 265,062 | | | |
| | Total Liabilities and Equity | \$ | 1,483,835 | \$ | 1,761,377 | | | |

Groupon, Inc. Condensed Consolidated Statements of Operations (in thousands, except share and per share amounts) (unaudited)

| | Three Months Ended March 31, | | | | |
|--|------------------------------|-------------|----|-------------|--|
| | | 2017 | | 2016 | |
| Revenue: | | | | | |
| Third-party and other | \$ | 301,577 | \$ | 309,629 | |
| Direct | | 372,049 | | 388,806 | |
| Total revenue | | 673,626 | | 698,435 | |
| Cost of revenue: | | | | | |
| Third-party and other | | 42,873 | | 41,060 | |
| Direct | | 321,302 | | 337,273 | |
| Total cost of revenue | | 364,175 | | 378,333 | |
| Gross profit | | 309,451 | | 320,102 | |
| Operating expenses: | | | | | |
| Marketing | | 86,342 | | 87,295 | |
| Selling, general and administrative | | 232,046 | | 262,978 | |
| Restructuring charges | | 2,731 | | 11,513 | |
| Acquisition-related expense (benefit), net | | 12 | | 3,464 | |
| Total operating expenses | | 321,131 | | 365,250 | |
| Income (loss) from operations | | (11,680) | | (45,148) | |
| Other income (expense), net | | (4,602) | | 2,618 | |
| Income (loss) from continuing operations before provision (benefit) for income taxes | | (16,282) | | (42,530) | |
| Provision (benefit) for income taxes | | 4,587 | | 1,009 | |
| Income (loss) from continuing operations | | (20,869) | | (43,539) | |
| Income (loss) from discontinued operations, net of tax | | 487 | | (2,057) | |
| Net income (loss) | | (20,382) | | (45,596) | |
| Net income attributable to noncontrolling interests | | (4,032) | | (3,523) | |
| Net income (loss) attributable to Groupon, Inc. | \$ | (24,414) | \$ | (49,119) | |
| Basic and diluted net income (loss) per share (1): | | | | | |
| Continuing operations | \$ | (0.04) | \$ | (0.08) | |
| Discontinued operations | Ψ | (0.04) | Ψ | (0.00) | |
| Basic and diluted net income (loss) per share | \$ | (0.04) | \$ | (0.08) | |
| Will be a second of the second | | | | | |
| Weighted average number of shares outstanding | | 562 105 242 | | 500 751 650 | |
| Basic | | 562,195,243 | | 582,751,678 | |
| Diluted | | 562,195,243 | | 582,751,678 | |

⁽¹⁾ The structure of the Company's common stock changed during the year ended December 31, 2016. For additional information, refer to Note 8, *Stockholders' Equity and Compensation Arrangements*, and Note 12, *Income (Loss) per Share*, in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017.

Groupon, Inc. Condensed Consolidated Statements of Cash Flows (in thousands) (unaudited)

| | Three Months | Ended Mar | March 31, | |
|--|--------------|-------------|-----------|--|
| | 2017 | 201 | .6 | |
| Operating activities | | | | |
| Net income (loss) | \$ (20,382) | | 45,596 | |
| Less: Income (loss) from discontinued operations, net of tax | 487 | _ | (2,057 | |
| Income (loss) from continuing operations | (20,869) | (4 | 43,539 | |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | | | |
| Depreciation and amortization of property, equipment and software | 28,667 | 2 | 29,761 | |
| Amortization of acquired intangible assets | 5,400 | | 4,654 | |
| Stock-based compensation | 19,701 | 3 | 30,093 | |
| Restructuring-related long-lived asset impairments | _ | | 45 | |
| Deferred income taxes | (74) | (| (2,310 | |
| (Gain) loss, net from changes in fair value of contingent consideration | 12 | | 3,442 | |
| (Gain) loss from changes in fair value of investments | (303) | | 1,100 | |
| Amortization of debt discount on convertible senior notes | 2,587 | | _ | |
| Change in assets and liabilities, net of acquisitions and dispositions: | | | | |
| Restricted cash | 1,853 | | 502 | |
| Accounts receivable | 10,594 | (| (5,763 | |
| Prepaid expenses and other current assets | 5,380 | 1 | 18,939 | |
| Accounts payable | (13,184) | (| (1,499 | |
| Accrued merchant and supplier payables | (138,238) | (10 | 09,264 | |
| Accrued expenses and other current liabilities | (36,040) | 1 | 11,967 | |
| Other, net | (1,719) | (1 | 12,905 | |
| Net cash provided by (used in) operating activities from continuing operations | (136,233) | (7 | 74,777 | |
| Net cash provided by (used in) operating activities from discontinued operations | (1,098) | (| (1,948 | |
| Net cash provided by (used in) operating activities | (137,331) | (7 | 76,725 | |
| Investing activities | | | | |
| Purchases of property and equipment and capitalized software | (14,076) | (1 | 19,852 | |
| Cash derecognized upon dispositions of subsidiaries | _ | | (40 | |
| Acquisitions of intangible assets and other investing activities | 56 | | (786 | |
| Net cash provided by (used in) investing activities from continuing operations | (14,020) | (2 | 20,678 | |
| Net cash provided by (used in) investing activities from discontinued operations | (7,547) | | (100 | |
| Net cash provided by (used in) investing activities | (21,567) | (2 | 20,778 | |
| Financing activities | | | | |
| Payments for purchases of treasury stock | (27,234) | $(\epsilon$ | 64,665 | |
| Taxes paid related to net share settlements of stock-based compensation awards | (8,970) | (| (4,964 | |
| Proceeds from stock option exercises and employee stock purchase plan | 2,468 | | 1,933 | |
| Distributions to noncontrolling interest holders | (3,450) | (| (3,365 | |
| Payments of capital lease obligations | (8,067) | | (6,954 | |
| Other financing activities | (473) | | _ | |
| Net cash provided by (used in) financing activities | (45,726) | (7 | 78,015 | |
| Effect of exchange rate changes on cash and cash equivalents, including cash classified within current assets of discontinued operations | 3,756 | 1 | 10,668 | |
| Net increase (decrease) in cash and cash equivalents, including cash classified within current assets of discontinued operations | | | 64,850 | |
| Less: Net increase (decrease) in cash classified within current assets of discontinued operations | (28,866) | , | 3,993 | |
| Net increase (decrease) in cash and cash equivalents | (172,002) | | 68,843 | |
| Cash and cash equivalents, beginning of period | 862,977 | | 24,307 | |
| Cash and cash equivalents, end of period | \$ 690,975 | _ | 55,464 | |

Groupon, Inc. Supplemental Financial Information and Business Metrics ⁽¹⁾ (financial data in thousands; active customers in millions) (unaudited)

| | Q | 2016 | _ (| Q2 2016 | | Q3 2016 | | Q4 2016 | | Q1 2017 | | | | | |
|--|----------|-------------------|-----|--------------------|----|-------------------|----|-------------------|----|--------------------|-------------------|-----|---------------|--------------|-----|
| | | | | _ | | | | _ | | | | | | | |
| North America Segment: | | | | | | | | | | | Q1 2017 | | | | |
| Gross Billings (2): | \$ | 539,623 | e | 542 420 | ¢ | 520.769 | e | 500 694 | e | 507.766 | Y/Y Growth 8.9 | % | | | |
| Local Travel | • | 103,390 | \$ | 542,439 105,388 | \$ | 530,768 93,564 | \$ | 590,684 90,059 | \$ | 587,766 114,163 | 10.4 | 70 | | | |
| Goods | | 294,061 | | 318,427 | | 296,630 | | 431,388 | | 262,588 | (10.7) | | | | |
| Total Gross Billings | \$ | 937,074 | \$ | 966,254 | \$ | 920,962 | \$ | 1,112,131 | \$ | 964,517 | 2.9 | % | | | |
| | | ,,,,,, | = | 700,201 | Ť | ,20,,02 | = | 1,112,131 | Ť | 701,517 | 2.7 | , 0 | | | |
| Revenue: | | 100 150 | • | 101120 | | 150.000 | • | 200 500 | • | 200 545 | | 0.1 | | | |
| Local | \$ | 192,153 | \$ | 184,139 | \$ | | \$ | 209,799 | \$ | 200,545 | 4.4 | % | | | |
| Travel | | 20,914 | | 21,401 | | 21,241 | | 19,023 | | 20,462 | (2.2) | | | | |
| Goods Total Revenue | <u>s</u> | 287,746 | \$ | 311,382 | \$ | 285,820 | \$ | 421,931 | \$ | 252,350 | (12.3) | % | | | |
| Total Revenue | 3 | 500,813 | = | 516,922 | 3 | 483,281 | 3 | 650,753 | = | 473,357 | (5.5) | 70 | | | |
| Gross Profit: | | | | | | | | | | | | | | | |
| Local | \$ | 164,018 | \$ | 158,812 | \$ | 152,873 | \$ | 185,280 | \$ | 169,342 | 3.2 | % | | | |
| Travel | | 15,712 | | 16,334 | | 17,257 | | 15,052 | | 15,165 | (3.5) | | | | |
| Goods | | 36,213 | _ | 42,028 | _ | 31,531 | _ | 50,437 | _ | 36,430 | 0.6 | | | | |
| Total Gross Profit | \$ | 215,943 | \$ | 217,174 | \$ | 201,661 | \$ | 250,769 | \$ | 220,937 | 2.3 | % | | | |
| Operating income (loss) | \$ | (41,934) | \$ | (31,284) | \$ | (24,471) | \$ | 12,246 | \$ | (14,783) | 64.7 | % | | | |
| International Comment | | | | | | | | | | | | | 01 2017 | | |
| International Segment: | | | | | | | | | | | | | Q1 2017 | Y/Y Growth | _ |
| Gross Billings: | | | | | | | | | | | Y/Y Growth | _ | FX Effect (3) | excluding FX | (3) |
| Local | \$ | 200,141 | \$ | 196,857 | \$ | 184,068 | \$ | 221,337 | \$ | 191,219 | (4.5) | % | 3.4 | (1.1) | % |
| Travel | | 63,723 | | 56,409 | | 58,964 | | 60,099 | | 53,161 | (16.6) | | 1.0 | (15.6) | |
| Goods | | 168,748 | | 170,019 | | 158,965 | | 211,963 | _ | 149,079 | (11.7) | | 3.0 | (8.7) | |
| Total Gross Billings | \$ | 432,612 | \$ | 423,285 | \$ | 401,997 | \$ | 493,399 | \$ | 393,459 | (9.1) | % | 2.9 | (6.2) | % |
| Revenue: | | | | | | | | | | | | | | | |
| Local | \$ | 68,907 | \$ | 67,956 | \$ | 64,282 | \$ | 68,900 | \$ | 63,575 | (7.7) | % | 3.8 | (3.9) | % |
| Travel | | 12,451 | | 11,640 | | 13,524 | | 12,141 | | 11,002 | (11.6) | | 1.5 | (10.1) | |
| Goods | | 116,264 | | 127,242 | | 125,468 | | 173,071 | | 125,692 | 8.1 | | 3.7 | 11.8 | |
| Total Revenue | \$ | 197,622 | \$ | 206,838 | \$ | 203,274 | \$ | 254,112 | \$ | 200,269 | 1.3 | % | 3.6 | 4.9 | % |
| Gross Profit: | _ | | | | _ | | Ξ | | _ | | | | | | |
| Local | \$ | 64,221 | \$ | 62,970 | \$ | 59,257 | \$ | 63,987 | \$ | 59,194 | (7.8) | % | 3.9 | (3.9) | % |
| Travel | Ψ | 11,242 | y . | 10,484 | | 12,378 | Ψ | 11,087 | Ψ | 10,036 | (10.7) | 70 | 1.8 | (8.9) | 70 |
| Goods | | 28,696 | | 24,749 | | 19,972 | | 26,063 | | 19,284 | (32.8) | | 2.0 | (30.8) | |
| Total Gross Profit | \$ | 104,159 | \$ | 98,203 | \$ | 91,607 | \$ | 101,137 | \$ | 88,514 | (15.0) | % | 3.2 | (11.8) | % |
| Operating income (local) | - | | _ | (8,469) | _ | | _ | | _ | | | | | | |
| Operating income (loss) | \$ | (3,214) | 3 | (8,469) | 3 | (370) | \$ | (2,749) | 3 | 3,103 | 196.5 | % | | | |
| Consolidated Results of Operations: | | | | | | | | | | | | | | | |
| Gross Billings: | | | | | | | | | | | | | | | |
| Local | \$ | 739,764 | \$ | 739,296 | \$ | 714,836 | \$ | 812,021 | \$ | 778,985 | 5.3 | % | 0.9 | 6.2 | % |
| Travel | | 167,113 | | 161,797 | | 152,528 | | 150,158 | | 167,324 | 0.1 | | 0.4 | 0.5 | |
| Goods | | 462,809 | | 488,446 | | 455,595 | | 643,351 | | 411,667 | (11.1) | | 1.1 | (10.0) | |
| Total Gross Billings | \$ | 1,369,686 | \$ | 1,389,539 | \$ | 1,322,959 | \$ | 1,605,530 | \$ | 1,357,976 | (0.9) | % | 0.9 | _ | % |
| Revenue: | | | | | | | | | | | | | | | |
| Local | \$ | 261,060 | \$ | 252,095 | \$ | 240,502 | S | 278,699 | \$ | 264,120 | 1.2 | % | 1.0 | 2.2 | % |
| Travel | • | 33,365 | Ψ. | 33,041 | Ψ. | 34,765 | Ψ | 31,164 | Ψ | 31,464 | (5.7) | , 0 | 0.6 | (5.1) | ,, |
| Goods | | 404,010 | | 438,624 | | 411,288 | | 595,002 | | 378,042 | (6.4) | | 1.0 | (5.4) | |
| Total Revenue | \$ | 698,435 | \$ | 723,760 | \$ | 686,555 | \$ | 904,865 | \$ | 673,626 | (3.6) | % | 1.0 | (2.6) | % |
| | ÷ | | Ė | | ÷ | , | Ė | , | Ė | | () | | | () | |
| Gross Profit: | e. | 228 220 | 6 | 221 792 | • | 212 120 | e | 240.267 | 6 | 229 526 | 0.1 | 0/ | 1.1 | 1.2 | 0/ |
| Local Travel | \$ | 228,239 | \$ | | \$ | 212,130 | Þ | 249,267 | \$ | 228,536 | 0.1 | % | 1.1 0.7 | 1.2 | % |
| | | 26,954 | | 26,818 | | 29,635 | | 26,139 | | 25,201 | (6.5) | | | (5.8) | |
| Goods Total Gross Profit | \$ | 64,909 320,102 | \$ | 66,777 315,377 | 9 | 51,503 293,268 | \$ | 76,500 351,906 | \$ | 55,714 309,451 | (14.2) | % | 0.9 1.0 | (13.3) | % |
| | _ | | | | | | _ | | - | | | | 1.0 | (2.3) | /0 |
| Operating income (loss) | \$ | (45,148) | \$ | (39,753) | \$ | (24,841) | \$ | 9,497 | \$ | (11,680) | 74.1 | % | | | |
| Net cash provided by (used in) operating activities from continuing operations | \$ | (74,777) | \$ | (51,009) | \$ | (39,879) | \$ | 294,593 | \$ | (136,233) | (82.2) | % | | | |
| Free Cash Flow | \$ | (94,629) | \$ | (67,508) | \$ | (52,561) | \$ | 275,339 | \$ | (150,309) | (58.8) | % | | | |

| | Q | Q1 2016 Q2 2016 | | Q | 3 2016 | Q | 4 2016 | Q1 2017 | | |
|--|----|-----------------|----|--------|--------|--------|--------|---------|----|---------|
| Other Metrics: | | | | | | | | | | |
| Active Customers (4) | | | | | | | | | | |
| North America | | 26.9 | | 27.9 | | 29.1 | | 31.1 | | 31.6 |
| International | | 17.3 | | 17.0 | | 16.6 | | 16.8 | | 16.7 |
| Total Active Customers | | 44.2 | | 44.9 | | 45.7 | | 47.9 | | 48.3 |
| TTM Gross Billings / Average Active Customer | | | | | | | | | | |
| North America | \$ | 146 | \$ | 145 | \$ | 142 | \$ | 138 | \$ | 136 |
| International | | 109 | | 105 | | 103 | | 102 | | 101 |
| Consolidated | | 131 | | 129 | | 127 | | 124 | | 123 |
| TTM Gross Profit / Average Active Customer | | | | | | | | | | |
| North America | \$ | 32 | \$ | 32 | \$ | 31 | \$ | 31 | \$ | 30 |
| International | | 26 | | 25 | | 25 | | 23 | | 22 |
| Consolidated | | 30 | | 29 | | 29 | | 28 | | 27 |
| Consolidated Units | | 47.2 | | 46.2 | | 44.4 | | 57.9 | | 45.7 |
| Year-over-year growth: | | | | | | | | | | |
| North America | | 6.0 % | | 5.9 % | Ď | 6.4 % |) | 3.2 % | Ď | (0.4) % |
| International | | (15.6) | | (18.4) | | (18.5) | | (0.3) | | (8.7) |
| Consolidated | | (2.2) | | (3.2) | | (2.9) | | 2.0 | | (3.1) |
| Headcount | | | | | | | | | | |
| Sales (5) | | 3,068 | | 2,893 | | 2,695 | | 2,626 | | 2,624 |
| Other | | 4,777 | | 4,383 | | 4,389 | | 4,641 | | 4,496 |
| Total Headcount | | 7,845 | | 7,276 | | 7,084 | | 7,267 | | 7,120 |

- (1) The financial results of the exited 11 countries are presented as discontinued operations in the accompanying condensed consolidated financial statements and tables. All prior period financial information and operational metrics have been retrospectively adjusted to reflect this presentation.
- (2) Represents the total dollar value of customer purchases of goods and services.
- (3) Represents the change in financial measures that would have resulted had average exchange rates in the reporting periods been the same as those in effect in the prior year periods.
- (4) Reflects the total number of unique user accounts who made a purchase through one of our online marketplaces during the trailing twelve months. North America active customers for the quarter ended March 31, 2017 includes approximately 0.9 million incremental active customers from the acquisition of LivingSocial, Inc.
- (5) Includes merchant sales representatives, as well as sales support personnel from our continuing operations.

Groupon, Inc. Non-GAAP Reconciliation Schedules (in thousands, except share and per share amounts) (unaudited)

Adjusted EBITDA, non-GAAP earnings attributable to common stockholders and non-GAAP earnings per share are non-GAAP performance measures. The Company reconciles Adjusted EBITDA to the most comparable U.S. GAAP performance measure, "Net income (loss) from continuing operations" for the periods presented and the Company reconciles non-GAAP earnings per share to the most comparable U.S. GAAP performance measure, "Diluted net income (loss) per share," for the periods presented.

The following is a quarterly reconciliation of Adjusted EBITDA to the most comparable U.S. GAAP performance measure, "Income (loss) from continuing operations."

| | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 |
|--|-------------|-------------|-------------|-------------|-------------|
| Income (loss) from continuing operations | \$ (43,539) | \$ (48,768) | \$ (34,447) | \$ (39,455) | \$ (20,869) |
| Adjustments: | | | | | |
| Stock-based compensation (1) | 27,293 | 34,210 | 25,457 | 22,563 | 19,650 |
| Depreciation and amortization | 34,415 | 33,916 | 32,897 | 34,681 | 34,067 |
| Acquisition-related expense (benefit), net | 3,464 | 850 | (9) | 1,345 | 12 |
| Restructuring charges | 11,513 | 15,702 | 1,163 | 12,060 | 2,731 |
| Gains on business dispositions | _ | (9,339) | (2,060) | _ | _ |
| Non-operating expense (income), net | (2,618) | 11,253 | 7,917 | 54,737 | 4,602 |
| Provision (benefit) for income taxes | 1,009 | (2,238) | 1,690 | (5,779) | 4,587 |
| Total adjustments | 75,076 | 84,354 | 67,055 | 119,607 | 65,649 |
| Adjusted EBITDA | \$ 31,537 | \$ 35,586 | \$ 32,608 | \$ 80,152 | \$ 44,780 |

(1) Represents stock-based compensation recorded within cost of revenue, marketing expense, and selling, general and administrative expense. Nonoperating expense (income), net, includes \$0.2 million, \$0.2 million, \$0.3 million, \$0.2 million and \$0.1 million of additional stock-based compensation for the three months ended March 31, 2016, June 30, 2016, September 30, 2016, December 31, 2016 and March 31, 2017, respectively. Restructuring charges includes \$2.6 million and \$2.1 million of additional stock-based compensation for the three months ended March 31, 2016 and June 30, 3016, respectively.

The following is a reconciliation of the Company's annual outlook for Adjusted EBITDA to the Company's outlook for the most comparable U.S. GAAP performance measure, "Income (loss) from continuing operations."

| | Year Ending December 31, 2017 |
|---|-------------------------------|
| Expected income (loss) from continuing operations range | \$(42,500) to \$(17,500) |
| Expected adjustments: | |
| Stock-based compensation | 80,000 to 90,000 |
| Depreciation and amortization | 130,000 |
| Restructuring charges | 5,000 |
| Non-operating expense (income), net | 20,000 |
| Provision (benefit) for income taxes | 7,500 to 12,500 |
| Total expected adjustments | \$242,500 to \$257,500 |
| Expected Adjusted EBITDA range | \$200,000 to \$240,000 |

The outlook provided above does not reflect the potential impact of any additional restructuring actions that the Company may decide to pursue, business acquisitions or dispositions, changes in the fair values of investments or contingent consideration, foreign currency gains or losses or unusual or infrequently occurring items that may occur during 2017.

The following is a reconciliation of net income (loss) attributable to common stockholders to non-GAAP net income (loss) attributable to common stockholders and a reconciliation of diluted net income (loss) per share to non-GAAP net income (loss) per share for the three months ended March 31, 2017:

| | Three Months Ended March 31, 2017 | | | | |
|--|--------------------------------------|--|--|--|--|
| Net income (loss) attributable to common stockholders | \$ (24,414) | | | | |
| Stock-based compensation | 19,701 | | | | |
| Amortization of acquired intangible assets | 5,400 | | | | |
| Acquisition-related expense (benefit), net | 12 | | | | |
| Restructuring charges | 2,731 | | | | |
| Losses (gains), net from changes in fair value of investments | (303) | | | | |
| Intercompany foreign currency losses (gains) and reclassifications of translation adjustments to earnings | (110) | | | | |
| Non-cash interest expense on convertible senior notes | 2,587 | | | | |
| Income tax effect of above adjustments | 55 | | | | |
| Income from discontinued operations, net of tax | \$ (487) | | | | |
| Non-GAAP net income (loss) attributable to common stockholders | \$ 5,172 | | | | |
| Weighted-average shares of common stock - basic | 562,195,243 | | | | |
| Effect of dilutive securities | 7,527,970 | | | | |
| Weighted-average shares of common stock - diluted | 569,723,213 | | | | |
| Diluted net income (loss) per share | \$ (0.04) | | | | |
| Impact of stock-based compensation, amortization of acquired intangible assets, acquisition-related expense (benefit), net, intercompany foreign currency losses (gains), special charges and credits, income from discontinued operations and related tax effects | 0.05 | | | | |
| Non-GAAP net income (loss) per share | \$ 0.01 | | | | |
| | | | | | |

Free cash flow is a non-GAAP financial measure. The following is a reconciliation of free cash flow to the most comparable U.S. GAAP financial measure, "Net cash provided by (used in) operating activities from continuing operations."

| | Q1 2016 | | Q2 2016 | | Q3 2016 | | Q4 2016 | | _ | Q1 2017 |
|---|---------|----------|---------|----------|---------|----------|---------|----------|----|-----------|
| Net cash provided by (used in) operating activities from continuing operations | \$ | (74,777) | \$ | (51,009) | \$ | (39,879) | \$ | 294,593 | \$ | (136,233) |
| Purchases of property and equipment and capitalized software from continuing operations | | (19,852) | | (16,499) | | (12,682) | | (19,254) | | (14,076) |
| Free cash flow | \$ | (94,629) | \$ | (67,508) | \$ | (52,561) | \$ | 275,339 | \$ | (150,309) |
| | | | | | | | | | | |
| Net cash provided by (used in) investing activities from continuing operations | \$ | (20,678) | \$ | (18,957) | \$ | (11,902) | \$ | (4,049) | \$ | (14,020) |
| Net cash provided by (used in) financing activities | \$ | (78,015) | \$ | 169,225 | \$ | (38,342) | \$ | (67,533) | \$ | (45,726) |