

**Groupon, Inc.**  
**Summary Consolidated and Segment Results**  
(in thousands, except share and per share amounts)  
(unaudited)

	Three Months Ended March 31,		Y/Y % Growth	FX Effect <sup>(2)</sup>	Y/Y % Growth excluding FX <sup>(2)</sup>
	2013	2012			
<b>Gross Billings <sup>(1)</sup></b>					
North America	\$ 681,319	\$ 553,557	23.1 %	\$ (59)	23.1 %
International	726,450	801,243	(9.3) %	(12,460)	(7.8) %
Consolidated gross billings	<u>\$ 1,407,769</u>	<u>\$ 1,354,800</u>	3.9 %	<u>\$ (12,519)</u>	4.8 %
<b>Revenue</b>					
North America	\$ 339,554	\$ 238,565	42.3 %	\$ (27)	42.3 %
International	261,848	320,718	(18.4) %	(4,540)	(16.9) %
Consolidated revenue	<u>\$ 601,402</u>	<u>\$ 559,283</u>	7.5 %	<u>\$ (4,567)</u>	8.3 %
Income from operations	\$ 21,178	\$ 39,639	(46.6) %	\$ 2,377	(52.6) %
Net loss attributable to common stockholders	\$ (3,992)	\$ (11,695)	65.9 %	\$ 2,614	43.5 %
<b>Net loss per share</b>					
Basic	\$ (0.01)	\$ (0.02)			
Diluted	\$ (0.01)	\$ (0.02)			
Weighted average basic shares outstanding	658,800,417	644,097,375			
Weighted average diluted shares outstanding	658,800,417	644,097,375			

(1) Represents the total dollar value of customer purchases of goods and services, excluding applicable taxes and net of estimated refunds. Includes direct billings and third party and other billings.

(2) Represents change in financial measures that would have resulted had average exchange rates in the reporting period been the same as those in effect during the three months ended March 31, 2012.

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

**Three Months Ended**  
**March 31,**

	<b>2013</b>	<b>2012</b>
<b>Operating activities</b>		
Net loss	\$ (3,242)	\$ (3,593)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	20,700	11,716
Stock-based compensation	29,907	28,003
Deferred income taxes	(258)	(876)
Excess tax benefits on stock-based compensation	(832)	(2,881)
Loss on equity method investments	19	5,128
Acquisition-related expense (benefit), net	68	(52)
Change in assets and liabilities, net of acquisitions:		
Restricted cash	2,523	(1,357)
Accounts receivable	(7,684)	(11,878)
Prepaid expenses and other current assets	12,527	(4,121)
Accounts payable	(19,606)	(1,821)
Accrued merchant and supplier payables	(39,417)	46,000
Accrued expenses and other current liabilities	13,302	13,420
Other, net	753	6,026
<b>Net cash provided by operating activities</b>	<b>8,760</b>	<b>83,714</b>
<b>Net cash used in investing activities</b>	<b>(30,679)</b>	<b>(46,444)</b>
<b>Net cash used in financing activities</b>	<b>(9,342)</b>	<b>(8,275)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(12,378)</b>	<b>9,059</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(43,639)</b>	<b>38,054</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>1,209,289</b>	<b>1,122,935</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,165,650</b>	<b>\$ 1,160,989</b>

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

	<b>Three Months Ended March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Revenue:</b>		
Third party and other	\$ 439,108	\$ 540,053
<b>Direct</b>	<b>162,294</b>	<b>19,230</b>
Total revenue	601,402	559,283
<b>Cost of revenue:</b>		
Third party and other	70,016	102,629
<b>Direct</b>	<b>152,377</b>	<b>16,869</b>
Total cost of revenue	222,393	119,498
<b>Gross Profit</b>	<b>379,009</b>	<b>439,785</b>
<b>Operating expenses:</b>		
Marketing	49,557	116,615
Selling, general and administrative	308,206	283,583
Acquisition-related expense (benefit), net	68	(52)
Total operating expenses	357,831	400,146
<b>Income from operations</b>	<b>21,178</b>	<b>39,639</b>
Interest and other expense, net	(5,064)	(3,539)
Loss on equity method investments	(19)	(5,128)
<b>Income before provision for income taxes</b>	<b>16,095</b>	<b>30,972</b>
Provision for income taxes	19,337	34,565
<b>Net loss</b>	<b>(3,242)</b>	<b>(3,593)</b>
Less: Net income attributable to noncontrolling interests	(750)	(880)
<b>Net loss attributable to Groupon, Inc.</b>	<b>(3,992)</b>	<b>(4,473)</b>
Adjustment of redeemable noncontrolling interests to redemption value	-	(7,222)
<b>Net loss attributable to common stockholders</b>	<b>\$ (3,992)</b>	<b>\$ (11,695)</b>
<b>Net loss per share</b>		
Basic	\$ (0.01)	\$ (0.02)
Diluted	\$ (0.01)	\$ (0.02)
<b>Weighted average number of shares outstanding</b>		
Basic	658,800,417	644,097,375
Diluted	658,800,417	644,097,375

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

	<u>March 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,165,650	\$ 1,209,289
Accounts receivable, net	102,717	96,713
Deferred income taxes	30,679	31,211
Prepaid expenses and other current assets	132,324	150,573
<b>Total current assets</b>	<u>1,431,370</u>	<u>1,487,786</u>
Property, equipment and software, net of accumulated depreciation and amortization of \$60,291 and \$46,236, respectively	128,773	121,072
Goodwill	205,466	206,684
Intangible assets, net	36,838	42,597
Investments	97,245	84,209
Deferred income taxes, non-current	29,710	29,916
Other non-current assets	52,855	59,210
<b>Total Assets</b>	<u>\$ 1,982,257</u>	<u>\$ 2,031,474</u>
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable	\$ 40,898	\$ 59,865
Accrued merchant and supplier payables	620,485	671,305
Accrued expenses	245,889	246,924
Deferred income taxes	52,875	53,700
Other current liabilities	140,433	136,647
<b>Total current liabilities</b>	<u>1,100,580</u>	<u>1,168,441</u>
Deferred income taxes, non-current	19,917	20,860
Other non-current liabilities	97,791	100,072
<b>Total Liabilities</b>	<u>1,218,288</u>	<u>1,289,373</u>
Commitments and contingencies		
<b>Stockholders' Equity</b>		
Class A common stock, par value \$0.0001 per share, 2,000,000,000 shares authorized, 657,774,882 and 654,523,706 shares issued and outstanding at March 31, 2013 and December 31, 2012, respectively	66	65
Class B common stock, par value \$0.0001 per share, 10,000,000 shares authorized, 2,399,976 shares issued and outstanding at March 31, 2013 and December 31, 2012	-	-
Common stock, par value \$0.0001 per share, 2,010,000,000 shares authorized, no shares issued and outstanding at March 31, 2013, and December 31, 2012	-	-
Additional paid-in capital	1,508,972	1,485,006
Accumulated deficit	(757,469)	(753,477)
Accumulated other comprehensive income	14,787	12,446
<b>Total Groupon, Inc. Stockholders' Equity</b>	<u>766,356</u>	<u>744,040</u>
Noncontrolling interests	(2,387)	(1,939)
<b>Total Equity</b>	<u>763,969</u>	<u>742,101</u>
<b>Total Liabilities and Equity</b>	<u>\$ 1,982,257</u>	<u>\$ 2,031,474</u>

**Groupon, Inc.**  
**Segment Information**  
(in thousands)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>North America</b>		
Gross Billings <sup>(1)</sup>	\$ 681,319	\$ 553,557
Revenue	\$ 339,554	\$ 238,565
Segment cost of revenue and operating expenses <sup>(2)</sup>	298,188	198,393
Segment operating income	\$ 41,366	\$ 40,172
<i>Segment operating income as a percent of segment revenue</i>	<i>12.2 %</i>	<i>16.8 %</i>
<b>International</b>		
Gross Billings <sup>(1)</sup>	\$ 726,450	\$ 801,243
Revenue	\$ 261,848	\$ 320,718
Segment cost of revenue and operating expenses <sup>(2)</sup>	252,061	293,300
Segment operating income	\$ 9,787	\$ 27,418
<i>Segment operating income as a percent of segment revenue</i>	<i>3.7 %</i>	<i>8.5 %</i>
<b>Consolidated</b>		
Gross Billings <sup>(1)</sup>	\$ 1,407,769	\$ 1,354,800
Revenue	\$ 601,402	\$ 559,283
Segment cost of revenue and operating expenses <sup>(2)</sup>	550,249	491,693
Segment operating income	\$ 51,153	\$ 67,590
<i>Segment operating income as a percent of segment revenue</i>	<i>8.5 %</i>	<i>12.1 %</i>
Stock-based compensation	29,907	28,003
Acquisition-related expense (benefit), net	68	(52)
Income from operations	21,178	39,639
Interest and other expense, net	5,064	3,539
Loss on equity method investments	19	5,128
Income before provision for income taxes	16,095	30,972
Provision for income taxes	19,337	34,565
Net loss	\$ (3,242)	\$ (3,593)

(1) Represents the total dollar value of customer purchases of goods and services, excluding any applicable taxes and net of estimated refunds. Includes direct billings and third party and other billings.

(2) Represents cost of revenue and operating expenses, excluding stock-based compensation and acquisition-related expense (benefit), net.

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

The following are reconciliations of earnings per share excluding stock-based compensation and acquisition-related expense (benefit), net and foreign exchange rate neutral operating results to the most comparable U.S. GAAP financial measures. See "Supplemental Financial Information and Business Metrics" for reconciliations of Adjusted EBITDA, operating income (loss), excluding stock-based compensation and acquisition-related benefit (expense), net and free cash flow to the most comparable U.S. GAAP financial measures.

The following is a reconciliation of net loss per share to earnings per share excluding stock-based compensation and acquisition-related expense, net for the three months ended March 31, 2013:

	<b>Three Months Ended March 31, 2013</b>
Net loss attributable to common stockholders	\$ (3,992)
Stock-based compensation	29,907
Acquisition-related expense, net	68
Income tax effect of adjustments	(9,113)
Net income attributable to common stockholders excluding stock-based compensation and acquisition-related expense, net	<u>\$ 16,870</u>
Diluted shares	658,800,417
Incremental diluted shares <sup>(1)</sup>	12,175,734
Adjusted diluted shares	<u>670,976,151</u>
Diluted net loss per share	\$ (0.01)
Impact of stock-based compensation and acquisition-related expense, net and the related income tax effects	0.04
Diluted earnings per share excluding stock-based compensation and acquisition-related expense, net	<u>\$ 0.03</u>

(1) Outstanding equity awards are not reflected in the diluted loss per share calculation for the three months ended March 31, 2013 because the effect would be antidilutive. However, those awards have been reflected in the calculation of diluted earnings per share excluding stock-based compensation and acquisition-related expense, net for the three months ended March 31, 2013 because they have a dilutive effect on that calculation.

The following is a reconciliation of foreign exchange rate neutral operating results to the most comparable U.S. GAAP financial measures, "Gross Billings," "Revenue" and "Income from operations," for the three months ended March 31, 2013. The effect on the Company's gross billings, revenue and income from operations from changes in exchange rates versus the U.S. Dollar for the three months ended March 31, 2013 was as follows:

	<b>Three Months Ended March 31, 2013</b>			<b>Three Months Ended March 31, 2013</b>		
	<b>At Avg. Q1 2012 Rates <sup>(1)</sup></b>	<b>Exchange Rate Effect <sup>(2)</sup></b>	<b>As Reported</b>	<b>At Avg. Q4 2012 Rates <sup>(3)</sup></b>	<b>Exchange Rate Effect <sup>(2)</sup></b>	<b>As Reported</b>
Gross billings	\$ 1,420,288	\$ (12,519)	\$ 1,407,769	\$ 1,408,597	\$ (828)	\$ 1,407,769
Revenue	\$ 605,969	\$ (4,567)	\$ 601,402	\$ 601,584	\$ (182)	\$ 601,402
Income from operations	\$ 18,801	\$ 2,377	\$ 21,178	\$ 21,698	\$ (520)	\$ 21,178

(1) Represents the outcome that would have resulted had average exchange rates in the reported period been the same as those in effect during the three months ended March 31, 2012.

(2) Represents the increase or decrease in reported amounts resulting from changes in exchange rates from those in effect in the comparable period.

(3) Represents the outcome that would have resulted had average exchange rates in the reported period been the same as those in effect during the three months ended December 31, 2012.

**Groupon, Inc.**  
**Supplemental Financial Information and Business Metrics<sup>(1)</sup>**  
(financial data in thousands, except per share data; active customers in millions)  
(unaudited)

Segments	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>North America Segment</b>					
<b>Gross Billings<sup>(1)</sup></b>					
Local <sup>(2)</sup> Gross Billings					
Third Party and Other	\$ 424,124	\$ 412,348	\$ 349,293	\$ 430,255	\$ 450,140
Direct	5,299	288	6,450	-	-
Total Local Gross Billings	\$ 429,423	\$ 412,636	\$ 355,743	\$ 430,255	\$ 450,140
Goods Gross Billings					
Third Party and Other	\$ 75,908	\$ 40,173	\$ 25,508	\$ 31,270	\$ 17,294
Direct	2,282	52,773	126,608	209,575	148,065
Total Goods Gross Billings	\$ 78,190	\$ 92,946	\$ 152,116	\$ 240,845	\$ 165,359
Travel and Other Gross Billings					
Third Party and Other	\$ 45,944	\$ 42,693	\$ 44,510	\$ 47,852	\$ 65,820
Direct	-	-	-	-	-
Total Travel and Other Gross Billings	\$ 45,944	\$ 42,693	\$ 44,510	\$ 47,852	\$ 65,820
Total Gross Billings					
Third Party and Other	\$ 545,976	\$ 495,214	\$ 419,311	\$ 509,377	\$ 533,254
Direct	7,581	53,061	133,058	209,575	148,065
Total Gross Billings	\$ 553,557	\$ 548,275	\$ 552,369	\$ 718,952	\$ 681,319
Year-over-year growth	76 %	48 %	38 %	31 %	23 %
% of Consolidated Gross Billings	41 %	43 %	45 %	47 %	48 %
Gross Billings Trailing Twelve Months (TTM)	\$ 1,800,332	\$ 1,978,617	\$ 2,130,008	\$ 2,373,153	\$ 2,500,915
<b>Revenue<sup>(3)</sup></b>					
Local Revenue					
Third Party and Other	\$ 191,128	\$ 184,189	\$ 134,993	\$ 142,454	\$ 171,593
Direct	5,299	288	6,450	-	-
Total Local Revenue	\$ 196,427	\$ 184,477	\$ 141,443	\$ 142,454	\$ 171,593
Goods Revenue					
Third Party and Other	\$ 24,941	\$ 10,387	\$ 13,064	\$ 11,877	\$ 3,144
Direct	2,282	52,774	126,608	209,575	148,065
Total Goods Revenue	\$ 27,223	\$ 63,161	\$ 139,672	\$ 221,452	\$ 151,209
Travel and Other Revenue					
Third Party and Other	\$ 14,915	\$ 12,543	\$ 10,488	\$ 11,445	\$ 16,752
Direct	-	-	-	-	-
Total Travel and Other Revenue	\$ 14,915	\$ 12,543	\$ 10,488	\$ 11,445	\$ 16,752
Total Revenue					
Third Party and Other	\$ 230,984	\$ 207,119	\$ 158,545	\$ 165,776	\$ 191,489
Direct	7,581	53,062	133,058	209,575	148,065
Total Revenue	\$ 238,565	\$ 260,181	\$ 291,603	\$ 375,351	\$ 339,554
Year-over-year growth	75 %	66 %	48 %	69 %	42 %
% of Consolidated Revenue	43 %	46 %	51 %	59 %	56 %
Revenue TTM	\$ 736,933	\$ 839,909	\$ 969,987	\$ 1,165,700	\$ 1,266,689
<b>Cost of Revenue<sup>(4)</sup></b>					
Local Cost of Revenue					
Third Party and Other	\$ 51,782	\$ 35,710	\$ 13,176	\$ 23,203	\$ 25,915
Direct	4,663	234	5,231	-	-
Total Local Cost of Revenue	\$ 56,445	\$ 35,944	\$ 18,407	\$ 23,203	\$ 25,915
Goods Cost of Revenue					
Third Party and Other	\$ 6,757	\$ 2,014	\$ 1,275	\$ 1,935	\$ 475
Direct	2,008	45,925	110,329	196,789	138,278
Total Goods Cost of Revenue	\$ 8,765	\$ 47,939	\$ 111,604	\$ 198,724	\$ 138,753
Travel and Other Cost of Revenue					
Third Party and Other	\$ 4,041	\$ 2,431	\$ 1,024	\$ 1,864	\$ 2,530
Direct	-	-	-	-	-
Total Travel and Other Cost of Revenue	\$ 4,041	\$ 2,431	\$ 1,024	\$ 1,864	\$ 2,530
Total Cost of Revenue					
Third Party and Other	\$ 62,580	\$ 40,155	\$ 15,475	\$ 27,002	\$ 28,920
Direct	6,671	46,159	115,560	196,789	138,278
Total Cost of Revenue	\$ 69,251	\$ 86,314	\$ 131,035	\$ 223,791	\$ 167,198
% of North America Total Revenue	29 %	33 %	45 %	60 %	49 %
<b>Gross Profit</b>					
Local Gross Profit					
Third Party and Other	\$ 139,346	\$ 148,479	\$ 121,817	\$ 119,251	\$ 145,678
Direct	636	54	1,219	-	-
Total Local Gross Profit	\$ 139,982	\$ 148,533	\$ 123,036	\$ 119,251	\$ 145,678
% of North America Total Local Revenue	71.3% %	80.5% %	87.0% %	83.7% %	84.9% %
% of North America Total Local Gross Billings	32.6% %	36.0% %	34.6% %	27.7% %	32.4% %
Goods Gross Profit					
Third Party and Other	\$ 18,184	\$ 8,373	\$ 11,789	\$ 9,942	\$ 2,669
Direct	274	6,849	16,279	12,786	9,787
Total Goods Gross Profit	\$ 18,458	\$ 15,222	\$ 28,068	\$ 22,728	\$ 12,456
% of North America Total Goods Revenue	67.8% %	24.1% %	20.1% %	10.3% %	8.2% %
% of North America Total Goods Gross Billings	23.6% %	16.4% %	18.5% %	9.4% %	7.5% %
Travel and Other Gross Profit					
Third Party and Other	\$ 10,874	\$ 10,112	\$ 9,464	\$ 9,581	\$ 14,222
Direct	-	-	-	-	-
Total Travel and Other Gross Profit	\$ 10,874	\$ 10,112	\$ 9,464	\$ 9,581	\$ 14,222
% of North America Total Travel and Other Revenue	72.9% %	80.6% %	90.2% %	83.7% %	84.9% %
% of North America Total Travel and Other Gross Billings	23.7% %	23.7% %	21.3% %	20.0% %	21.6% %
Total Gross Profit					
Third Party and Other	\$ 168,404	\$ 166,964	\$ 143,070	\$ 138,774	\$ 162,569
Direct	910	6,903	17,498	12,786	9,787
Total Gross Profit	\$ 169,314	\$ 173,867	\$ 160,568	\$ 151,560	\$ 172,356
% of North America Total Revenue	71.0% %	66.8% %	55.1% %	40.4% %	50.8% %
% of North America Total Gross Billings	30.6% %	31.7% %	29.1% %	21.1% %	25.3% %
<b>Operating Income Excl Stock-Based Compensation (SBC), Acquisition-Related Expenses</b>					
Year-over-year growth	NA	NA	108 %	(7) %	3 %
% of Consolidated Operating Income Excl SBC, Acq-Related	59 %	60 %	77 %	124 %	81 %
<b>Operating Margin Excl SBC, Acq-Related (% of North America Total Revenue)</b>					
Year-over-year growth (bps)	3,278	2,337	170	(570)	(460)
Operating Income TTM Excl SBC, Acq-Related	\$ 66,746	\$ 120,676	\$ 140,933	\$ 139,726	\$ 140,920
Operating Margin TTM Excl SBC, Acq-Related (% of North America Total TTM revenue)	9.1 %	14.4 %	14.5 %	12.0 %	11.1 %
Year-over-year growth (bps)	2,197	2,601	2,100	1,120	200

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>International Segment</b>					
<b>Gross Billings</b>					
Local Gross Billings					
Third Party and Other	\$ 465,879	\$ 423,313	\$ 328,044	\$ 368,898	\$ 379,413
Direct	-	-	-	-	-
Total Local Gross Billings	\$ 465,879	\$ 423,313	\$ 328,044	\$ 368,898	\$ 379,413
Goods Gross Billings					
Third Party and Other	\$ 199,988	\$ 186,899	\$ 211,464	\$ 285,057	\$ 212,736
Direct	7,396	12,288	11,930	15,601	14,229
Total Goods Gross Billings	\$ 207,384	\$ 199,187	\$ 223,394	\$ 300,658	\$ 226,965
Travel and Other Gross Billings					
Third Party and Other	\$ 123,727	\$ 115,901	\$ 114,449	\$ 131,944	\$ 120,072
Direct	4,253	-	-	-	-
Total Travel and Other Gross Billings	\$ 127,980	\$ 115,901	\$ 114,449	\$ 131,944	\$ 120,072
Total Gross Billings					
Third Party and Other	\$ 789,594	\$ 726,113	\$ 653,957	\$ 785,899	\$ 712,221
Direct	11,649	12,288	11,930	15,601	14,229
Total Gross Billings	\$ 801,243	\$ 738,401	\$ 665,887	\$ 801,500	\$ 726,450
Year-over-year growth	127 %	32 %	(12) %	6 %	(9) %
Year-over-year growth, excluding FX <sup>(1)</sup>	138 %	45 %	(4) %	9 %	(8) %
% of Consolidated Gross Billings	89 %	57 %	55 %	53 %	52 %
Gross Billings TTM	\$ 2,871,795	\$ 3,050,937	\$ 2,960,592	\$ 3,007,031	\$ 2,932,238
<b>Revenue</b>					
Local Revenue					
Third Party and Other	\$ 213,166	\$ 193,861	\$ 164,184	\$ 144,834	\$ 155,800
Direct	-	-	-	-	-
Total Local Revenue	\$ 213,166	\$ 193,861	\$ 164,184	\$ 144,834	\$ 155,800
Goods Revenue					
Third Party and Other	\$ 60,365	\$ 67,864	\$ 71,310	\$ 74,702	\$ 63,937
Direct	7,396	12,288	11,930	15,601	14,229
Total Goods Revenue	\$ 67,761	\$ 80,152	\$ 83,240	\$ 90,302	\$ 78,166
Travel and Other Revenue					
Third Party and Other	\$ 35,538	\$ 34,141	\$ 29,525	\$ 27,815	\$ 27,882
Direct	4,253	-	-	-	-
Total Travel and Other Revenue	\$ 39,791	\$ 34,141	\$ 29,525	\$ 27,815	\$ 27,882
Total Revenue					
Third Party and Other	\$ 309,069	\$ 295,866	\$ 265,019	\$ 247,351	\$ 247,619
Direct	11,649	12,288	11,930	15,601	14,229
Total Revenue	\$ 320,718	\$ 308,154	\$ 276,949	\$ 262,951	\$ 261,848
Year-over-year growth	102 %	31 %	3 %	(16) %	(18) %
Year-over-year growth, excluding FX	112 %	44 %	13 %	(14) %	(17) %
% of Consolidated Revenue	57 %	54 %	49 %	41 %	44 %
Revenue TTM	\$ 1,137,257	\$ 1,210,034	\$ 1,218,347	\$ 1,168,772	\$ 1,109,902
<b>Cost of Revenue</b>					
Local Cost of Revenue					
Third Party and Other	\$ 27,622	\$ 24,162	\$ 23,729	\$ 20,423	\$ 20,115
Direct	-	-	-	-	-
Total Local Cost of Revenue	\$ 27,622	\$ 24,162	\$ 23,729	\$ 20,423	\$ 20,115
Goods Cost of Revenue					
Third Party and Other	\$ 7,822	\$ 8,459	\$ 10,702	\$ 12,558	\$ 17,381
Direct	6,474	11,993	12,053	21,778	14,099
Total Goods Cost of Revenue	\$ 14,296	\$ 20,452	\$ 22,755	\$ 34,336	\$ 31,480
Travel and Other Cost of Revenue					
Third Party and Other	\$ 4,605	\$ 4,256	\$ 4,267	\$ 3,922	\$ 3,600
Direct	3,724	-	-	-	-
Total Travel and Other Cost of Revenue	\$ 8,329	\$ 4,256	\$ 4,267	\$ 3,922	\$ 3,600
Total Cost of Revenue					
Third Party and Other	\$ 40,049	\$ 36,877	\$ 38,698	\$ 36,903	\$ 41,096
Direct	10,198	11,993	12,053	21,778	14,099
Total Cost of Revenue	\$ 50,247	\$ 48,870	\$ 50,751	\$ 58,681	\$ 55,195
% of International Total Revenue	16 %	16 %	18 %	22 %	21 %
<b>Gross Profit</b>					
Local Gross Profit					
Third Party and Other	\$ 185,544	\$ 169,699	\$ 140,455	\$ 124,411	\$ 135,685
Direct	-	-	-	-	-
Total Local Gross Profit	\$ 185,544	\$ 169,699	\$ 140,455	\$ 124,411	\$ 135,685
% of International Total Local Revenue	87.0% %	87.5% %	85.5% %	85.9% %	87.1% %
% of International Total Local Gross Billings	39.8% %	40.1% %	42.8% %	33.7% %	35.8% %
Goods Gross Profit					
Third Party and Other	\$ 52,543	\$ 59,405	\$ 60,608	\$ 62,144	\$ 46,556
Direct	922	295	(123)	(6,178)	130
Total Goods Gross Profit	\$ 53,465	\$ 59,700	\$ 60,485	\$ 55,966	\$ 46,686
% of International Total Goods Revenue	78.9% %	74.5% %	72.7% %	62.0% %	59.7% %
% of International Total Goods Gross Billings	25.8% %	30.0% %	27.1% %	18.6% %	20.6% %
Travel and Other Gross Profit					
Third Party and Other	\$ 30,933	\$ 29,885	\$ 25,258	\$ 23,893	\$ 24,282
Direct	529	-	-	-	-
Total Travel and Other Gross Profit	\$ 31,462	\$ 29,885	\$ 25,258	\$ 23,893	\$ 24,282
% of International Total Travel and Other Revenue	79.1% %	87.5% %	85.5% %	85.9% %	87.1% %
% of International Total Travel and Other Gross Billings	24.6% %	25.8% %	22.1% %	18.1% %	20.2% %
Total Gross Profit					
Third Party and Other	\$ 269,020	\$ 258,989	\$ 226,321	\$ 210,448	\$ 206,523
Direct	1,451	295	(123)	(6,178)	130
Total Gross Profit	\$ 270,471	\$ 259,284	\$ 226,198	\$ 204,270	\$ 206,653
% of International Total Revenue	84.3% %	84.1% %	81.7% %	77.7% %	78.9% %
% of International Total Gross Billings	33.8% %	35.1% %	34.0% %	25.5% %	28.4% %
Operating Income (Loss) Excl SBC, Acq-Related	\$ 27,418	\$ 28,505	\$ 11,395	\$ (3,329)	\$ 9,787
Year-over-year growth	NA	155	NA	(1,060)	(64)
% of Consolidated Operating Income Excl SBC, Acq-Related	41 %	40 %	23 %	(24) %	19 %
Operating Margin Excl SBC, Acq-Related (% of International Total revenue)	8.5 %	9.3 %	4.1 %	(1.3) %	3.7 %
Year-over-year growth (bps)	5,669	3,126	1,170	(120)	(480)
Operating (Loss) Income TTM Excl SBC, Acq-Related	\$ (45,205)	\$ 35,108	\$ 67,031	\$ 63,989	\$ 46,358
Operating Margin TTM Excl SBC, Acq-Related (% of International Total TTM revenue)	(4.0) %	2.9 %	5.5 %	5.5 %	4.2 %
Year-over-year growth (bps)	8,704	5,765	4,170	2,080	820



	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>Consolidated Results of Operations</b>					
<b>Gross Billings</b>					
Local Gross Billings					
Third Party and Other	\$ 890,003	\$ 835,661	\$ 677,337	\$ 799,153	\$ 829,533
Direct	5,299	288	6,450	-	-
Total Local Gross Billings	\$ 895,302	\$ 835,949	\$ 683,787	\$ 799,153	\$ 829,533
Goods Gross Billings					
Third Party and Other	\$ 275,896	\$ 227,072	\$ 236,972	\$ 316,327	\$ 230,030
Direct	9,678	65,061	138,538	225,176	162,294
Total Goods Gross Billings	\$ 285,574	\$ 292,133	\$ 375,510	\$ 541,503	\$ 392,324
Travel and Other Gross Billings					
Third Party and Other	\$ 169,671	\$ 158,594	\$ 158,959	\$ 179,796	\$ 185,892
Direct	4,253	-	-	-	-
Total Travel and Other Gross Billings	\$ 173,924	\$ 158,594	\$ 158,959	\$ 179,796	\$ 185,892
Total Gross Billings					
Third Party and Other	\$ 1,335,570	\$ 1,221,327	\$ 1,073,268	\$ 1,295,276	\$ 1,245,475
Direct	19,230	65,349	144,988	225,176	162,294
Total Gross Billings	\$ 1,354,800	\$ 1,286,676	\$ 1,218,256	\$ 1,520,452	\$ 1,407,769
Year-over-year growth	103 %	38 %	5 %	24 %	4 %
Year-over-year growth, excluding FX	108 %	47 %	11 %	25 %	5 %
Gross Billings (TTM)	\$ 4,672,127	\$ 5,029,554	\$ 5,090,600	\$ 5,380,184	\$ 5,433,153
Year-over-year growth	241 %	128 %	61 %	35 %	16 %
<b>Revenue</b>					
Local Revenue					
Third Party and Other	\$ 404,294	\$ 378,050	\$ 299,177	\$ 287,288	\$ 327,393
Direct	5,299	288	6,450	-	-
Total Local Revenue	\$ 409,593	\$ 378,338	\$ 305,627	\$ 287,288	\$ 327,393
Goods Revenue					
Third Party and Other	\$ 85,306	\$ 78,251	\$ 84,374	\$ 86,579	\$ 67,081
Direct	9,678	65,062	138,538	225,175	162,294
Total Goods Revenue	\$ 94,984	\$ 143,313	\$ 222,912	\$ 311,754	\$ 229,375
Travel and Other Revenue					
Third Party and Other	\$ 50,453	\$ 46,684	\$ 40,013	\$ 39,260	\$ 44,634
Direct	4,253	-	-	-	-
Total Travel and Other Revenue	\$ 54,706	\$ 46,684	\$ 40,013	\$ 39,260	\$ 44,634
Total Revenue					
Third Party and Other	\$ 540,053	\$ 502,985	\$ 423,564	\$ 413,127	\$ 439,108
Direct	19,230	65,350	144,988	225,175	162,294
Total Revenue	\$ 559,283	\$ 568,335	\$ 568,552	\$ 638,302	\$ 601,402
Year-over-year growth	89 %	45 %	32 %	30 %	8 %
Year-over-year growth, excluding FX	95 %	53 %	38 %	31 %	8 %
Total Consolidated Revenue TTM	\$ 1,874,190	\$ 2,049,943	\$ 2,188,334	\$ 2,334,472	\$ 2,376,591
Year-over-year growth	219 %	118 %	70 %	45 %	27 %
<b>Cost of Revenue</b>					
Local Cost of Revenue					
Third Party and Other	\$ 79,404	\$ 59,872	\$ 36,905	\$ 43,626	\$ 46,030
Direct	4,663	234	5,231	-	-
Total Local Cost of Revenue	\$ 84,067	\$ 60,106	\$ 42,136	\$ 43,626	\$ 46,030
Goods Cost of Revenue					
Third Party and Other	\$ 14,579	\$ 10,473	\$ 11,977	\$ 14,493	\$ 17,856
Direct	8,482	57,918	122,382	218,567	152,377
Total Goods Cost of Revenue	\$ 23,061	\$ 68,391	\$ 134,359	\$ 233,060	\$ 170,233
Travel and Other Cost of Revenue					
Third Party and Other	\$ 8,646	\$ 6,687	\$ 5,291	\$ 5,786	\$ 6,130
Direct	3,724	-	-	-	-
Total Travel and Other Cost of Revenue	\$ 12,370	\$ 6,687	\$ 5,291	\$ 5,786	\$ 6,130
Total Cost of Revenue					
Third Party and Other	\$ 102,629	\$ 77,032	\$ 54,173	\$ 63,905	\$ 70,016
Direct	16,869	58,152	127,613	218,567	152,377
Total Cost of Revenue	\$ 119,498	\$ 135,184	\$ 181,786	\$ 282,472	\$ 222,393
% of Total Consolidated Revenue	21 %	24 %	32 %	44 %	37 %
<b>Gross Profit</b>					
Local Gross Profit					
Third Party and Other	\$ 324,890	\$ 318,178	\$ 262,272	\$ 243,662	\$ 281,363
Direct	636	54	1,219	-	-
Total Local Gross Profit	\$ 325,526	\$ 318,232	\$ 263,491	\$ 243,662	\$ 281,363
% of Total Consolidated Local Revenue	79.5% %	84.1% %	86.2% %	84.8% %	85.9% %
% of Total Consolidated Local Gross Billings	36.4% %	38.1% %	38.5% %	30.5% %	33.9% %
Goods Gross Profit					
Third Party and Other	\$ 70,727	\$ 67,778	\$ 72,397	\$ 72,086	\$ 49,225
Direct	1,196	7,144	16,156	6,608	9,917
Total Goods Gross Profit	\$ 71,923	\$ 74,922	\$ 88,553	\$ 78,694	\$ 59,142
% of Total Consolidated Goods Revenue	75.7% %	52.3% %	39.7% %	25.2% %	25.8% %
% of Total Consolidated Goods Gross Billings	25.2% %	25.6% %	23.6% %	14.5% %	15.1% %
Travel and Other Gross Profit					
Third Party and Other	\$ 41,807	\$ 39,997	\$ 34,722	\$ 33,474	\$ 38,504
Direct	529	-	-	-	-
Total Travel and Other Gross Profit	\$ 42,336	\$ 39,997	\$ 34,722	\$ 33,474	\$ 38,504
% of Total Consolidated Travel and Other Revenue	77.4% %	85.7% %	86.8% %	85.3% %	86.3% %
% of Total Consolidated Travel and Other Gross Billings	24.3% %	25.2% %	21.8% %	18.6% %	20.7% %
Total Gross Profit					
Third Party and Other	\$ 437,424	\$ 425,953	\$ 369,391	\$ 349,222	\$ 369,092
Direct	2,361	7,198	17,375	6,608	9,917
Total Gross Profit	\$ 439,785	\$ 433,151	\$ 386,766	\$ 355,830	\$ 379,009
% of Total Consolidated Revenue	78.6% %	76.2% %	68.0% %	55.7% %	63.0% %
% of Total Consolidated Gross Billings	32.5% %	33.7% %	31.7% %	23.4% %	26.9% %
Operating Income Excl SBC, Acq-Related	\$ 67,590	\$ 71,934	\$ 50,488	\$ 13,703	\$ 51,153
Year-over-year growth	N/A	N/A	N/A	(24) %	(24) %
Operating Margin Excl SBC, Acq-Related (% of Total Consolidated revenue)	12.1 %	12.7 %	8.9 %	2.1 %	8.5 %
Year-over-year growth (bps)	4,534	2,853	930	(150)	(360)
Operating Income TTM Excl SBC, Acq-Related	\$ 21,541	\$ 155,784	\$ 207,964	\$ 203,715	\$ 187,278
Operating Margin TTM Excl SBC, Acq-Related (% of Total Consolidated TTM revenue)	1.1 %	7.6 %	9.5 %	8.7 %	7.9 %
Year-over-year growth (bps)	5,011	4,229	3,320	1,770	680
Operating Income (Loss)	\$ 39,639	\$ 46,485	\$ 25,438	\$ (12,861)	\$ 21,178
Year-over-year growth	364 %	N/A	N/A	14 %	(47) %
Operating Margin (% of Total Consolidated revenue)	7.1 %	8.2 %	4.5 %	(2.0) %	3.5 %
Year-over-year growth (bps)	4,673	3,391	457	100	(360)
Operating (Loss) Income TTM	\$ (76,599)	\$ 70,913	\$ 96,590	\$ 98,701	\$ 80,240
Operating Margin TTM (% of Total Consolidated TTM revenue)	(4.1) %	3.5 %	4.4 %	4.2 %	3.4 %
Year-over-year growth (bps)	8,875	6,824	4,740	1,870	750
Net (Loss) Income Attributable to Common Stockholders	(11,695)	28,386	(2,979)	(81,089)	(3,992)
Weighted Average Basic Shares Outstanding	644,097	647,150	653,224	655,678	658,800
Weighted Average Diluted Shares Outstanding <sup>(6)</sup>	644,097	663,123	653,224	655,678	658,800
Net (Loss) Earnings per Share					
Basic	\$ (0.02)	\$ 0.04	\$ (0.00)	\$ (0.12)	\$ (0.01)
Diluted	\$ (0.02)	\$ 0.04	\$ (0.00)	\$ (0.12)	\$ (0.01)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>The following is a quarterly reconciliation of Adjusted EBITDA to the most comparable U.S. GAAP financial measure, "Net (loss) income" and a quarterly reconciliation of operating income, excluding stock-based compensation and acquisition-related benefit (expense), net, to the most comparable U.S. GAAP financial measure, "Operating income (loss)."</b> <sup>(6)</sup>					
Adjusted EBITDA	\$ 79,306	\$ 84,744	\$ 65,798	\$ 29,668	\$ 71,853
Depreciation and amortization	(11,710)	(12,810)	(15,310)	(15,965)	(20,700)
Operating income, excluding stock-based compensation and acquisition-related benefit (expense), net	67,590	71,934	50,488	13,703	51,153
Stock-based compensation	(28,003)	(27,084)	(22,619)	(26,411)	(29,907)
Acquisition-related benefit (expense), net	52	1,635	(2,431)	(153)	(68)
Operating income (loss)	39,639	46,485	25,438	(12,861)	21,178
Non Operating Items					
Interest and other (expense) income, net	(3,539)	57,367	617	(48,279)	(5,064)
Loss on equity method investments	(5,128)	(3,428)	(138)	(1,231)	(19)
Provision for income taxes	(34,565)	(66,875)	(26,857)	(17,676)	(19,337)
Net (loss) income	\$ (3,593)	\$ 33,549	\$ (940)	\$ (80,047)	\$ (3,242)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>The following is a trailing twelve months reconciliation of Operating income, excluding stock-based compensation and acquisition-related benefit (expense), net, to the most comparable U.S. GAAP financial measure, "Operating (loss) income."</b> <sup>(7)</sup>					
Operating income, excluding stock-based compensation and acquisition-related benefit (expense), net TTM	\$ 21,541	\$ 155,784	\$ 207,964	\$ 203,715	\$ 187,278
Stock-based compensation	(102,729)	(91,095)	(110,374)	(104,117)	(106,021)
Acquisition-related benefit (expense), net	4,589	6,224	(1,000)	(897)	(1,017)
Operating (loss) income TTM	\$ (76,599)	\$ 70,913	\$ 96,590	\$ 98,701	\$ 80,240

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>The following is a quarterly reconciliation of foreign exchange rate neutral Gross Billings growth from the comparable quarterly periods of the prior year to reported Gross billings growth from the comparable quarterly periods of the prior year.</b> <sup>(8)</sup>					
International Gross Billings growth, excluding FX	138 %	45 %	(4) %	9 %	(8) %
FX Effect	(11) %	(13) %	(8) %	(3) %	(1) %
International Gross Billings growth	127 %	32 %	(12) %	6 %	(9) %
Consolidated Gross Billings growth, excluding FX	108 %	47 %	11 %	25 %	5 %
FX Effect	(5) %	(9) %	(6) %	(1) %	(1) %
Consolidated Gross Billings growth	103 %	38 %	5 %	24 %	4 %

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>The following is a quarterly reconciliation of foreign exchange rate neutral Revenue growth from the comparable quarterly periods of the prior year to reported Revenue growth from the comparable quarterly periods of the prior year.</b> <sup>(9)</sup>					
International Revenue growth, excluding FX	112 %	44 %	13 %	(14) %	(17) %
FX Effect	(10) %	(13) %	(10) %	(2) %	(1) %
International Revenue growth	102 %	31 %	3 %	(16) %	(18) %
Consolidated Revenue growth, excluding FX	95 %	53 %	38 %	31 %	8 %
FX Effect	(6) %	(8) %	(6) %	(1) %	- %
Consolidated Revenue growth	89 %	45 %	32 %	30 %	8 %

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>The following is a reconciliation of free cash flow to the most comparable U.S. GAAP financial measure, "Net cash provided by operating activities."</b>					
Net cash provided by operating activities	\$ 83,714	\$ 75,315	\$ 42,088	\$ 65,717	\$ 8,760
Purchases of property, equipment and capitalized software	(13,083)	(26,709)	(16,010)	(40,034)	(14,468)
Free cash flow <sup>(9)</sup>	\$ 70,631	\$ 48,606	\$ 26,078	\$ 25,683	\$ (5,708)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Net cash provided by operating activities (TTM)	\$ 356,221	\$ 392,517	\$ 370,194	\$ 266,834	\$ 191,880
Purchases of property, equipment and capitalized software (TTM)	(45,932)	(62,401)	(69,788)	(95,836)	(97,221)
Free cash flow (TTM)	\$ 310,289	\$ 330,116	\$ 300,406	\$ 170,998	\$ 94,659

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Net cash used in investing activities	\$ (46,444)	\$ (60,153)	\$ (35,629)	\$ (52,753)	\$ (30,679)
Net cash (used in) provided by financing activities	\$ (8,275)	\$ 24,158	\$ 2,707	\$ (6,495)	\$ (9,432)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Net cash used in investing activities (TTM)	\$ (149,583)	\$ (184,552)	\$ (177,133)	\$ (194,979)	\$ (179,214)
Net cash provided by financing activities (TTM)	\$ 746,824	\$ 771,404	\$ 765,503	\$ 12,095	\$ 11,028

#### Other Metrics

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>Active Customers</b> <sup>(10)</sup>					
North America	14.9	15.1	16.0	17.2	18.2
International	22.0	22.9	23.5	23.8	23.5
Total Active Customers	36.9	38.0	39.5	41.0	41.7

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>TTM Gross Billings / Average Active Customer</b> <sup>(11)</sup>					
North America	\$ 156	\$ 151	\$ 148	\$ 152	\$ 151
International	\$ 197	\$ 175	\$ 149	\$ 138	\$ 129
Consolidated	\$ 179	\$ 165	\$ 149	\$ 144	\$ 138

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>Headcount</b>					
Sales <sup>(12)</sup>	5,735	5,587	5,087	4,677	4,566
% North America	21%	20%	24%	25%	28%
% International	79%	80%	76%	75%	72%
Other	6,813	7,233	6,779	6,717	6,433
Total Headcount	12,548	12,820	11,866	11,394	10,999

(1) Represents the total dollar value of customer purchases of goods and services, excluding applicable taxes and net of estimated refunds. Includes direct billings and third party and other billings.

(2) Local represents deals from local merchants, deals with national merchants, and through local events (i.e., GrouponLive deals).

(3) Third party revenue is related to sales for which the company acts as a marketing agent for the merchant. This revenue is recorded on a net basis. Direct revenue is primarily related to the sale of products for which the Company is the merchant of record. These revenues are accounted for on a gross basis, with the cost of inventory included in cost of revenue.

(4) Cost of revenue is comprised of direct and indirect costs incurred to generate revenue. Direct cost of revenue includes the purchase price of consumer products, warehousing, shipping costs and inventory markdowns. Third party cost of revenue includes estimated refunds for which the merchant's share is not recoverable. Other costs incurred to generate revenue are allocated to cost of third party revenue, direct revenue and other revenue for each of our categories (Local, Goods, and Travel and Other) in proportion to relative gross billings during the period.

(5) Represents change in financial measures that would have resulted had average exchange rates in the reporting period been the same as those in effect in the prior year period.

(6) The weighted-average diluted shares outstanding is calculated using the weighted-average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options and vesting of restricted stock units and restricted shares, as calculated using the treasury stock method.

(7) Adjusted EBITDA and Operating income excluding stock-based compensation and acquisition-related expense (benefit), net are non-GAAP financial measures. The Company reconciles Adjusted EBITDA to the most comparable U.S. GAAP financial measure, "Net (loss) income" for the periods presented, and the Company reconciles Operating income excluding stock-based compensation and acquisition-related expense (benefit), net to the most comparable U.S. GAAP financial measure, "Operating income (loss)," for the periods presented.

(8) Foreign Exchange Rate neutral operating results are non-GAAP financial measures. The Company reconciles these measures to the most comparable U.S. GAAP financial measures, "Gross Billings" and "Revenue," for the periods presented.

(9) Free cash flow is a non-GAAP financial measure. The Company reconciles this measure to the most comparable U.S. GAAP financial measure, "Net cash provided by operating activities," for the periods presented.

(10) Reflects the total number of unique accounts who have purchased Groupons during the trailing twelve months.

(11) Reflects the total gross billings generated in the trailing twelve months per average active customer over that period.

(12) Includes inside and outside merchant sales representatives, as well as sales support.

(13) The definition, methodology, and appropriateness of each of our supplemental metrics is reviewed periodically. As a result, metrics are subject to removal and/or change.