

Reconciliation of Non-GAAP Measures
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
GAAP gross profit	\$ 54,179	\$ 38,475	\$ 63,246	\$ 43,722	\$ 117,425	\$ 82,197	\$ 72,504	\$ 48,095	\$ 189,929	\$ 130,292
GAAP gross margin	69%	67%	70%	69%	70%	68%	73%	70%	71%	68%
Plus:										
Stock-based compensation expense	1,991	1,369	2,113	1,398	4,104	2,767	2,455	1,627	6,559	4,394
Intangible amortization expense	2,117	1,380	2,118	1,589	4,235	2,969	2,223	1,945	6,458	4,914
Non-GAAP gross profit	58,287	41,224	67,477	46,709	125,764	87,933	77,182	51,667	202,946	139,600
Non-GAAP gross margin	74%	71%	75%	74%	74%	72%	77%	75%	76%	73%
GAAP operating loss	(25,601)	(17,517)	(32,005)	(19,070)	(57,606)	(36,587)	(11,849)	(20,517)	(69,455)	(57,104)
Plus:										
Stock-based compensation expense	18,483	12,426	18,708	15,235	37,191	27,661	19,963	16,196	57,154	43,857
Intangible amortization expense	3,405	2,707	3,369	2,917	6,774	5,624	3,667	3,210	10,441	8,834
Acquisition-related expenses	4	247	118	114	122	361	464	190	586	551
Litigation-related (income) expenses	1,195	533	13,462	595	14,657	1,128	(1,716)	1,404	12,941	2,532
Non-GAAP operating income (loss)	(2,514)	(1,604)	3,652	(209)	1,138	(1,813)	10,529	483	11,667	(1,330)
GAAP net loss	(31,656)	(21,712)	(38,301)	(22,594)	(69,957)	(44,306)	(18,367)	(27,014)	(88,324)	(71,320)
Plus:										
Stock-based compensation expense	18,483	12,426	18,708	15,235	37,191	27,661	19,963	16,196	57,154	43,857
Intangible amortization expense	3,405	2,707	3,369	2,917	6,774	5,624	3,667	3,210	10,441	8,834
Acquisition-related expenses	4	247	118	114	122	361	464	190	586	551
Litigation-related (income) expenses	1,195	533	13,462	595	14,657	1,128	(1,716)	1,404	12,941	2,532
Interest expense - debt discount and issuance costs	5,096	2,266	5,172	2,696	10,268	4,962	5,248	4,949	15,516	9,911
Income tax (expense) benefit	(22)	(60)	(23)	(27)	(45)	(87)	118	(24)	73	(209)
Non-GAAP net income (loss)	\$ (3,495)	\$ (3,593)	\$ 2,505	\$ (1,064)	\$ (990)	\$ (4,657)	\$ 9,377	\$ (1,089)	\$ 8,387	\$ (5,844)
Add interest expense of convertible senior notes, net of tax (1)	-	-	-	-	-	-	1,060	-	-	-
Numerator for non-GAAP EPS calculation	\$ (3,495)	\$ (3,593)	\$ 2,505	\$ (1,064)	\$ (990)	\$ (4,657)	\$ 10,437	\$ (1,089)	\$ 8,387	\$ (5,844)
Non-GAAP net income (loss) per share - diluted	\$ (0.09)	\$ (0.09)	\$ 0.06	\$ (0.03)	\$ (0.02)	\$ (0.12)	\$ 0.19	\$ (0.03)	\$ 0.18	\$ (0.15)
GAAP weighted-average shares used to compute net loss per share, basic	41,093	38,957	41,605	39,567	41,349	39,264	42,109	40,072	41,604	39,536
Dilutive effect of convertible senior notes (1)	-	-	-	-	-	-	7,989	-	-	-
Dilutive effect of employee equity incentive plan awards (2)	-	-	3,528	-	-	-	3,977	-	3,820	-
Non-GAAP weighted-average shares used to compute net income (loss) per share, diluted	41,093	38,957	45,133	39,567	41,349	39,264	54,075	40,072	45,424	39,536

(1) The Company uses the if-converted method to compute diluted earnings per share with respect to its convertible senior notes. Except for the three months ended September 30, 2016, there was no add-back of interest expense or additional dilutive shares related to the convertible senior notes as the effect was anti-dilutive.

(2) The Company uses the treasury method to compute the diluted effect of employee equity incentive plan awards.

Reconciliation of Non-GAAP Measures to Guidance
(In millions, except per share amount)
(Unaudited)

	Three Months Ending December 31, 2016	Year Ending December 31, 2016	Year Ending December 31, 2017
GAAP Net Loss	\$(26.3) - \$(23.8)	\$(114.9) - \$(112.3)	\$(121.2) - \$(111.8)
Depreciation	4.9 - 4.6	17.2 - 16.9	25.0 - 24.0
Amortization of intangible assets	3.1	13.5	16.0 - 14.5
Interest expense	5.9	23.5	24.6 - 24.4
Provision for income taxes	0.5 - 0.4	1.4 - 1.3	1.8 - 1.6
EBITDA	<u>\$(11.9) - \$(9.8)</u>	<u>\$(59.3) - \$(57.1)</u>	<u>\$(53.8) - \$(47.3)</u>
Stock-based compensation expense	\$22.0 - \$21.5	\$79.2 - \$78.7	\$103.0 - \$98.0
Acquisition-related expenses	0.4	1.0	-
Litigation-related expenses	-	13.1	-
Other expense, net	0.5 - 0.4	1.0 - 0.8	0.3
Adjusted EBITDA	<u>\$11.0 - \$12.5</u>	<u>\$35.0 - \$36.5</u>	<u>\$49.5 - \$51.0</u>
	Three Months Ending December 31, 2016	Year Ending December 31, 2016	Year Ending December 31, 2017
GAAP net loss	\$(26.3) - \$(23.8)	\$(114.9) - \$(112.3)	\$(121.2) - \$(111.8)
Plus:			
Stock-based compensation expense	\$22.0 - \$21.5	\$79.2 - \$78.7	\$103.0 - \$98.0
Intangible amortization expense	3.1	13.5	16.0 - 14.5
Acquisition-related expenses	0.4	1.0	-
Litigation-related expenses	-	13.1	-
Interest expense - debt discount and issuance costs	5.2	20.8	22.6 - 21.9
Income tax expense	0.1	0.3 - 0.2	0.6 - 0.4
Non-GAAP net income	<u>\$4.5 - \$6.5</u>	<u>\$13.0 - \$15.0</u>	<u>\$21.0 - \$23.0</u>
Add interest expense of convertible senior notes, net of tax (if dilutive)	<u>1.1</u>	<u>-</u>	<u>4.2</u>
Numerator for non-GAAP EPS calculation	<u>\$5.6 - \$7.6</u>	<u>\$13.0 - \$15.0</u>	<u>\$25.2 - \$27.2</u>
Non-GAAP net income per share - diluted	<u>\$0.10 - \$0.14</u>	<u>\$0.28 - \$0.33</u>	<u>\$0.45 - \$0.49</u>
Non-GAAP weighted-average shares used to compute net income per share, diluted	<u>54.4</u>	<u>45.9</u>	<u>55.8</u>
	Three Months Ending December 31, 2016	Year Ending December 31, 2016	Year Ending December 31, 2017
GAAP cash flows provided by operating activities	\$18.0 - \$22.5	\$72.0 - \$76.0	\$130.0 - \$142.0
Less:			
Purchases of property and equipment	6.5 - 9.0	33.0 - 35.0	40.0 - 42.0
Non-GAAP free cash flows	<u>\$11.5 - \$13.5</u>	<u>\$39.0 - \$41.0</u>	<u>\$90.0 - \$100.0</u>