

	Q109	Q209	Q309	Q409	Q110	Q210	Q310
<b>SEGMENT PROFIT (1) AND SEGMENT MARGIN (2)</b>							
Revenues:							
Data center services	\$ 31,715	\$ 32,273	\$ 33,547	\$ 33,176	\$ 33,722	\$ 31,197	\$ 31,550
Internet protocol (IP) services	32,209	32,099	30,867	30,373	29,643	29,328	28,765
Total	\$ 63,924	\$ 64,372	\$ 64,414	\$ 63,549	\$ 63,365	\$ 60,525	\$ 60,315
Direct costs of network, sales and services, exclusive of depreciation and amortization:							
Data center services	23,281	24,165	24,450	23,065	23,043	19,784	20,405
IP services	12,384	12,414	12,047	11,210	11,042	11,479	11,162
Total	35,665	36,579	36,497	34,275	34,085	31,263	31,567
Segment profit (1):							
Data center services	8,434	8,108	9,097	10,111	10,679	11,413	11,145
IP services	19,825	19,685	18,820	19,163	18,601	17,849	17,603
Total	\$ 28,259	\$ 27,793	\$ 27,917	\$ 29,274	\$ 29,280	\$ 29,262	\$ 28,748
Segment margin (2):							
Data center services	26.6%	25.1%	27.1%	30.5%	31.7%	36.6%	35.3%
IP services	61.6%	61.3%	61.0%	63.1%	62.8%	60.9%	61.2%
Total	<b>44.2%</b>	<b>43.2%</b>	<b>43.3%</b>	<b>46.1%</b>	<b>46.2%</b>	<b>48.3%</b>	<b>47.7%</b>
<b>ADJUSTED OPERATING EXPENSE (3)</b>							
<b>Total operating costs and expenses (GAAP)</b>	<b>\$ 70,272</b>	<b>\$ 124,576</b>	<b>\$ 66,157</b>	<b>\$ 64,176</b>	<b>\$ 63,251</b>	<b>\$ 61,238</b>	<b>\$ 60,851</b>
Total operating costs and expenses as % of revenue	109.9%	193.5%	102.7%	101.0%	99.8%	101.2%	100.9%
Direct costs of network and sales, exclusive of depreciation and amortization	(35,665)	(36,579)	(36,497)	(34,275)	(34,085)	(31,263)	(31,567)
Depreciation and amortization (4)	(8,036)	(11,937)	(8,292)	(8,366)	(8,753)	(7,992)	(8,580)
Impairments and restructuring (5)	(870)	(53,735)	-	(93)	(18)	(1,183)	-
Stock-based compensation expense	(2,056)	(1,308)	(1,071)	(1,178)	(991)	(1,444)	(1,114)
Executive transition (6)	(1,427)	-	-	-	-	-	-
Gain (loss) on disposals of property and equipment	-	-	(20)	(6)	(1)	(18)	13
<b>Adjusted operating expense (3) (non-GAAP)</b>	<b>\$ 22,218</b>	<b>\$ 21,017</b>	<b>\$ 20,277</b>	<b>\$ 20,258</b>	<b>\$ 19,403</b>	<b>\$ 19,338</b>	<b>\$ 19,603</b>
Adjusted operating expense (non-GAAP) as % of revenue	34.8%	32.6%	31.5%	31.9%	30.6%	32.0%	32.5%
<b>STOCK-BASED COMPENSATION EXPENSE SUMMARY</b>							
Direct costs of customer support	\$ 254	\$ 288	\$ 285	\$ 285	\$ 288	\$ 314	\$ 294
Sales and marketing	372	368	362	293	256	271	263
General and administrative (6)	1,430	652	424	600	447	859	557
Total	\$ 2,056	\$ 1,308	\$ 1,071	\$ 1,178	\$ 991	\$ 1,444	\$ 1,114
<b>ADJUSTED EBITDA (7)</b>							
<b>Income (loss) from operations (GAAP)</b>	<b>\$ (6,348)</b>	<b>\$ (60,204)</b>	<b>\$ (1,743)</b>	<b>\$ (627)</b>	<b>\$ 114</b>	<b>\$ (713)</b>	<b>\$ (536)</b>
Stock-based compensation expense	2,056	1,308	1,071	1,178	991	1,444	1,114
Depreciation and amortization (4)	8,036	11,937	8,292	8,366	8,753	7,992	8,580
(Gain) loss on disposals of property and equipment	-	-	20	6	1	18	(13)
Impairments and restructuring (5)	870	53,735	-	93	18	1,183	-
<b>Adjusted EBITDA (7) (non-GAAP)</b>	<b>\$ 4,614</b>	<b>\$ 6,776</b>	<b>\$ 7,640</b>	<b>\$ 9,016</b>	<b>\$ 9,877</b>	<b>\$ 9,924</b>	<b>\$ 9,145</b>
<b>Adjusted EBITDA Margin (8)(non-GAAP)</b>	<b>7.2%</b>	<b>10.5%</b>	<b>11.9%</b>	<b>14.2%</b>	<b>15.6%</b>	<b>16.4%</b>	<b>15.2%</b>

	Q109	Q209	Q309	Q409	Q110	Q210	Q310
<b><u>NORMALIZED NET INCOME (LOSS) (9) AND BASIC AND DILUTED NORMALIZED NET INCOME (LOSS) PER SHARE (10)</u></b>							
<b>Net income (loss) (GAAP)</b>	\$ (6,608)	\$ (60,645)	\$ (1,975)	\$ (497)	\$ (260)	\$ (1,271)	\$ (1,662)
Stock-based compensation expense	2,056	1,308	1,071	1,178	991	1,444	1,114
Impairments and restructuring (5)	870	53,735	-	93	18	1,183	-
Additional impairments included in depreciation and amortization (4)(5)	-	4,134	-	-	-	-	-
<b>Normalized net income (loss) (9)(non-GAAP)</b>	<b>\$ (3,682)</b>	<b>\$ (1,468)</b>	<b>\$ (904)</b>	<b>\$ 774</b>	<b>\$ 749</b>	<b>\$ 1,356</b>	<b>\$ (548)</b>
Normalized net income allocable to participating securities (non-GAAP)	-	-	-	16	17	30	-
<b>Net income (loss) available to common stockholders (GAAP) (11)</b>	<b>\$ (6,608)</b>	<b>\$ (60,645)</b>	<b>\$ (1,975)</b>	<b>\$ (497)</b>	<b>\$ (260)</b>	<b>\$ (1,271)</b>	<b>\$ (1,662)</b>
<b>Normalized net income (loss) available to common stockholders (non-GAAP) (11)</b>	<b>\$ (3,682)</b>	<b>\$ (1,468)</b>	<b>\$ (904)</b>	<b>\$ 758</b>	<b>\$ 732</b>	<b>\$ 1,326</b>	<b>\$ (548)</b>
Weighted average shares outstanding used in per share calculation:							
<b>Basic (GAAP)</b>	<b>49,414</b>	<b>49,586</b>	<b>49,638</b>	<b>49,657</b>	<b>49,944</b>	<b>50,013</b>	<b>50,026</b>
Participating securities (GAAP) (11)	874	1,203	1,126	1,081	1,193	1,132	1,118
<b>Diluted (GAAP)</b>	<b>49,414</b>	<b>49,586</b>	<b>49,638</b>	<b>49,657</b>	<b>49,944</b>	<b>50,013</b>	<b>50,026</b>
Add potentially dilutive securities	-	-	-	54	519	450	-
Less dilutive effect of stock-based compensation under the treasury stock method	-	-	-	(54)	(359)	(347)	-
<b>Normalized diluted shares (non-GAAP) (12)</b>	<b>49,414</b>	<b>49,586</b>	<b>49,638</b>	<b>49,657</b>	<b>50,104</b>	<b>50,116</b>	<b>50,026</b>
<b>Net income (loss) per share (GAAP):</b>							
<b>Basic and diluted</b>	<b>\$ (0.13)</b>	<b>\$ (1.22)</b>	<b>\$ (0.04)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>
<b>Normalized net income (loss) per share (non-GAAP) (10):</b>							
<b>Basic and diluted</b>	<b>\$ (0.07)</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>	<b>\$ 0.02</b>	<b>\$ 0.01</b>	<b>\$ 0.03</b>	<b>\$ (0.01)</b>

**Notes:**

(1) Segment profit is defined as segment revenues less direct cost of network, sales and services, exclusive of depreciation and amortization for the segment, as presented in the notes to our financial statements filed with the United States Securities and Exchange Commission in Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. Segment profit does not include direct costs of customer support, direct costs of amortization of acquired technologies or any other depreciation or amortization associated with direct costs.

(2) Segment margin is defined as segment profit as a percentage of segment revenues.

(3) Adjusted operating expense is defined as operating expense defined by accounting principles generally accepted in the United States of America, or GAAP, less direct cost of network and sales, depreciation and amortization, impairments and restructuring, stock-based compensation expense and executive transition (6).

(4) Depreciation and amortization for the quarter ended June 30, 2009 included additional impairment charges of \$4,134 for acquired developed technology, as described in note (5) below.

(5) Impairments and restructuring for the quarter ended June 30, 2009 do not include impairment charges of \$4,134 for acquired developed technology. These impairment charges are included herein with the caption "Depreciation and amortization" and in our financial statements with the caption "Direct costs of amortization of acquired technologies."

(6) Executive transition represents costs associated with the succession of our president and chief executive officer during the quarter ended March 31, 2009 and includes \$1,227 in cash compensation and \$200 in professional services. Executive transition as used herein does not include stock-based compensation of \$815 presented with other stock-based compensation on this schedule (included within general and administrative stock-based compensation expense).

(7) Adjusted EBITDA is defined as income (loss) from operations plus stock-based compensation, depreciation and amortization, (gain) loss on disposal of property and equipment, and impairments and restructuring. During the three months ended June 30, 2009 we changed the definition of adjusted EBITDA to exclude other non-operating income (expenses). We have reclassified financial information for prior periods presented to conform to the current period presentation. This change had an immaterial impact on our adjusted EBITDA and adjusted EBITDA margin.

(8) Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of revenues.

(9) Normalized net income (loss) is defined as net income (loss) plus stock-based compensation, impairments and restructuring.

(10) Normalized net income (loss) per share is defined as normalized net income (loss) divided by basic and normalized diluted shares.

(11) Net income and normalized net income available to common stockholders excludes amounts allocated to unvested restricted stock awards, which, by definition, are participating securities. However, participating securities do not share in any net loss or normalized net loss.

(12) Normalized diluted shares is defined as diluted common shares outstanding used in GAAP net income (loss) per share calculation, excluding the effect of stock-based compensation under the treasury stock method.