

**Websense, Inc.
Supplemental
(Unaudited)**

	<u>Q1 2007</u>	<u>Q2 2007</u>	<u>Q3 2007</u>	<u>Q4 2007</u>	<u>FY2007</u>	<u>Q1 2008</u>	<u>Q2 2008</u>	<u>Q3 2008</u>	<u>Q4 2008</u>	<u>FY2008</u>	<u>Q1 2009</u>	<u>Q2 2009</u>	<u>Q3 2009</u>	<u>Q4 2009</u>	<u>FY2009</u>
Billings (000's)*	\$ 42,519	\$ 54,538	\$ 52,166	\$ 108,632	\$ 257,855	\$ 67,540	\$ 87,291	\$ 82,683	\$ 105,852	\$ 343,366	\$ 67,016	\$ 82,227	\$ 84,454	\$ 118,345	\$ 352,042
Contract Length (%)															
1-year	48%	48%	50%	49%		61%	56%	55%	52%		58%	50%	49%	47%	
2-year	9%	7%	7%	7%		7%	7%	7%	8%		6%	7%	7%	8%	
3-year	43%	45%	43%	44%		32%	37%	38%	40%		36%	43%	44%	45%	
Average Contract Duration (months)	23.4	23.6	23.1	23.4		20.6	21.8	22.1	22.5		21.4	23.2	23.9	24.2	
Billings Source (%)															
United States	51%	58%	54%	45%		48%	47%	53%	49%		51%	51%	51%	48%	
International	49%	42%	46%	55%		52%	53%	47%	51%		49%	49%	49%	52%	
GAAP Revenue (000's)	\$ 49,747	\$ 50,449	\$ 50,429	\$ 59,682	\$ 210,307	\$ 65,120	\$ 70,262	\$ 74,884	\$ 78,008	\$ 288,274	\$ 77,566	\$ 77,837	\$ 78,601	\$ 79,709	\$ 313,713
Deferred revenue related to SurfControl acquisition	\$ -	\$ -	\$ -	\$ 25,436	\$ 25,436	\$ 20,016	\$ 15,557	\$ 10,591	\$ 7,162	\$ 53,326	\$ 5,799	\$ 4,998	\$ 3,592	\$ 2,796	\$ 17,185
Non-GAAP Revenues	\$ 49,747	\$ 50,449	\$ 50,429	\$ 85,118	\$ 235,743	\$ 85,136	\$ 85,819	\$ 85,475	\$ 85,170	\$ 341,600	\$ 83,365	\$ 82,835	\$ 82,193	\$ 82,505	\$ 330,898
GAAP Deferred Revenue (000's)															
Current	143,509	145,362	145,742	191,022	191,022	195,494	206,672	208,837	223,944	223,944	217,267	217,410	218,566	239,010	239,010
Long-term	69,935	72,171	73,528	97,021	97,021	95,356	101,787	106,199	117,840	117,840	113,966	118,213	122,910	141,102	141,102
Total GAAP Deferred Revenue	\$ 213,444	\$ 217,533	\$ 219,270	\$ 288,043	\$ 288,043	\$ 290,850	\$ 308,459	\$ 315,036	\$ 341,784	\$ 341,784	\$ 331,233	\$ 335,623	\$ 341,476	\$ 380,112	\$ 380,112
Cash & investments (000's)	\$ 262,961	\$ 263,494	\$ 281,433	\$ 87,733	\$ 87,733	\$ 73,269	\$ 66,675	\$ 63,364	\$ 66,811	\$ 66,811	\$ 75,998	\$ 77,395	\$ 78,287	\$ 83,296	\$ 83,296
Cash flow from operations (000's)	\$ 21,268	\$ 2,491	\$ 13,866	\$ 15,908	\$ 53,533	\$ 18,910	\$ 5,039	\$ 17,780	\$ 24,082	\$ 65,811	\$ 36,178	\$ 6,665	\$ 22,533	\$ 29,426	\$ 94,801
Debt outstanding (000's)	\$ 0	\$ 0	\$ 0	\$ 190,000	\$ 190,000	\$ 160,000	\$ 155,000	\$ 140,000	\$ 125,000	\$ 125,000	\$ 110,000	\$ 110,000	\$ 99,000	\$ 87,000	\$ 87,000
Product seats under subscription (millions)	25.5	25.8	26.7	42.1	42.1	42.4	42.1	43.3	43.9	43.9	44.4	43.6	42.9	43.7	43.7
Number of employees	764	802	850	1,237	1,237	1,151	1,199	1,238	1,288	1,288	1,363	1,421	1,424	1,452	1,452

*Billings represent the amount of subscription revenue contracts billed to customers during the quarter net of rebates and marketing development funds paid to our customers.

NOTE: This financial information should be read in conjunction with the audited financial statements and notes thereto, included in Websense Inc.'s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission as well as the interim financial statements and notes thereto included in Websense's Quarterly Reports on Form 10-Q. Certain reclassifications have been made for consistent presentation.

Websense, Inc.
Consolidated Statements of Operations
(Unaudited and in thousands)

GAAP	<u>Q1 2007</u>	<u>Q2 2007</u> (as restated)	<u>Q3 2007</u> (as restated)	<u>Q4 2007</u> (as restated)	<u>FY2007</u> (as restated)	<u>Q1 2008</u> (as restated)	<u>Q2 2008</u> (as restated)	<u>Q3 2008</u> (as restated)	<u>Q4 2008</u> (as restated)	<u>FY2008</u> (as restated)	<u>Q1 2009</u> (as restated)	<u>Q2 2009</u> (as restated)	<u>Q3 2009</u>	<u>Q4 2009</u>	<u>FY2009</u>
Revenue	\$ 49,747	\$ 50,449	\$ 50,429	\$ 59,682	\$ 210,307	\$ 65,120	\$ 70,262	\$ 74,884	\$ 78,008	\$ 288,274	\$ 77,567	\$ 77,837	\$ 78,601	\$ 79,709	\$ 313,713
Cost of revenues:															
Cost of revenues	4,028	4,807	4,461	9,230	22,526	8,807	8,603	9,187	9,140	35,737	8,575	9,142	9,946	10,243	37,906
Amortization of acquired technology	629	629	629	4,727	6,614	3,072	3,081	3,108	3,162	12,423	3,256	3,257	3,223	3,163	12,900
Total cost of revenues	4,657	5,436	5,090	13,957	29,140	11,879	11,684	12,295	12,302	48,160	11,831	12,399	13,169	13,406	50,806
Gross margin	45,090	45,013	45,339	45,725	181,167	53,241	58,578	62,589	65,706	240,114	65,736	65,438	65,432	66,303	262,907
Gross Margin (% of revenue)	91%	89%	90%	77%	86%	82%	83%	84%	84%	83%	85%	84%	83%	83%	84%
Operating expenses:															
Selling and marketing	24,913	25,142	25,215	50,977	126,247	42,916	44,442	42,993	45,014	175,365	39,893	41,442	40,739	44,837	166,910
Research and development	8,396	10,332	8,323	13,862	40,913	13,503	13,247	13,158	13,366	53,274	12,846	12,606	13,696	13,496	52,643
General and administrative	7,186	6,576	6,823	12,123	32,708	12,868	11,858	10,762	9,855	45,343	11,161	9,999	9,734	9,401	40,295
Total operating expenses	40,495	42,050	40,361	76,962	199,868	69,287	69,547	66,913	68,235	273,982	63,900	64,047	64,169	67,734	259,848
Income (loss) from operations	4,595	2,963	4,978	(31,237)	(18,701)	(16,046)	(10,969)	(4,324)	(2,529)	(33,868)	1,836	1,391	1,263	(1,431)	3,059
Operating profit (loss) (% of revenue)	9%	6%	10%	-52%	-9%	-25%	-16%	-6%	-3%	-12%	2%	2%	2%	-2%	1%
Interest expense	-	-	-	(4,308)	(4,308)	(4,432)	(2,941)	(2,985)	(2,776)	(13,134)	(2,212)	(1,747)	(1,700)	(1,425)	(7,084)
Other income (expense), net	2,440	1,475	3,928	1,618	9,461	(79)	981	(128)	(34)	739	357	72	184	(228)	384
Income (loss) before income taxes	7,035	4,438	8,906	(33,927)	(13,548)	(20,557)	(12,929)	(7,437)	(5,339)	(46,263)	(19)	(284)	(253)	(3,084)	(3,641)
Provision (benefit) for income taxes	3,168	3,162	2,555	(5,952)	2,933	(13,856)	(3,318)	(2,625)	315	(19,484)	1,068	(3,619)	1,672	7,936	7,056
Net income (loss)	\$ 3,867	\$ 1,276	\$ 6,351	\$ (27,975)	\$ (16,481)	\$ (6,701)	\$ (9,611)	\$ (4,812)	\$ (5,654)	\$ (26,779)	\$ (1,087)	\$ 3,335	\$ (1,925)	\$ (11,020)	\$ (10,697)
Net income (loss) per share:															
Basic	\$ 0.09	\$ 0.03	\$ 0.14	\$ (0.62)	\$ (0.37)	\$ (0.15)	\$ (0.21)	\$ (0.11)	\$ (0.13)	\$ (0.59)	\$ (0.02)	\$ 0.08	\$ (0.04)	\$ (0.25)	\$ (0.24)
Diluted	\$ 0.09	\$ 0.03	\$ 0.14	\$ (0.62)	\$ (0.37)	\$ (0.15)	\$ (0.21)	\$ (0.11)	\$ (0.13)	\$ (0.59)	\$ (0.02)	\$ 0.07	\$ (0.04)	\$ (0.25)	\$ (0.24)
Weighted avg shares - basic	44,830	45,060	45,194	45,339	45,107	45,395	45,208	45,097	45,065	45,190	44,825	44,384	44,131	43,720	44,262
Weighted avg shares - diluted	45,485	45,561	45,607	45,339	45,107	45,395	45,208	45,097	45,065	45,190	44,825	44,857	44,131	43,720	44,262

Cash and non-cash charges related to legal settlement, acquisitions, severance adjustments and stock-based compensation are as follows:

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY2009
Legal Settlement															
Cost of revenue	-	(133)	-	11	(122)	-	-	-	-	-	-	-	-	-	-
Amortization of acquired technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Selling and marketing	-	(389)	-	32	(357)	-	-	-	-	-	-	-	-	-	-
Research and development	-	(2,519)	-	206	(2,313)	-	-	-	-	-	-	-	-	-	-
General and administrative	-	(132)	-	11	(121)	-	-	-	-	-	-	-	-	-	-
Total	-	(3,173)	-	260	(2,913)	-	-	-	-	-	-	-	-	-	-
Acquisition Related Adjustments															
Cost of revenue	-	-	(54)	(585)	(639)	(563)	(303)	(130)	(43)	(1,039)	(3)	-	-	-	(3)
Amortization of acquired technology	(529)	(529)	(529)	(4,627)	(6,214)	(2,943)	(2,942)	(2,943)	(2,942)	(11,770)	(3,036)	(3,036)	(3,036)	(3,043)	(12,151)
Selling and marketing	(367)	(356)	(619)	(14,183)	(15,525)	(10,206)	(10,181)	(9,646)	(9,432)	(39,465)	(6,598)	(6,590)	(6,917)	(6,592)	(26,697)
Research and development	(468)	(467)	(546)	(1,072)	(2,553)	(476)	(298)	(86)	(21)	(881)	(3)	-	264	-	261
General and administrative	(10)	(12)	(52)	(2,337)	(2,411)	(1,979)	(768)	10	(156)	(2,893)	(78)	(135)	449	(142)	94
Write off of in-process research and development	(1,270)	-	-	-	(1,270)	-	-	-	-	-	-	-	-	-	-
Total	(2,644)	(1,364)	(1,800)	(22,804)	(28,612)	(16,167)	(14,492)	(12,795)	(12,594)	(56,048)	(9,718)	(9,761)	(9,240)	(9,777)	(38,496)
Severance adjustments															
Cost of revenue	-	-	-	-	-	-	-	-	-	-	-	-	(115)	-	(115)
Selling and marketing	-	-	-	-	-	-	-	-	-	-	-	-	(670)	-	(670)
Research and development	-	-	-	-	-	-	-	-	-	-	-	-	(376)	-	(376)
General and administrative	-	-	-	-	-	-	-	-	-	-	-	-	(156)	-	(156)
Total	-	-	-	-	-	-	-	-	-	-	-	-	(1,317)	-	(1,317)
Stock based compensation expense															
Cost of revenue	(329)	(390)	(375)	(406)	(1,500)	(367)	(332)	(320)	(299)	(1,318)	(300)	(368)	(345)	(368)	(1,381)
Selling and marketing	(2,013)	(2,207)	(2,197)	(2,468)	(8,885)	(2,360)	(2,353)	(2,113)	(2,124)	(8,950)	(1,920)	(2,062)	(1,950)	(2,032)	(7,964)
Research and development	(932)	(961)	(1,068)	(1,138)	(4,099)	(1,145)	(1,248)	(1,223)	(1,118)	(4,734)	(1,098)	(1,330)	(1,376)	(1,402)	(5,206)
General and administrative	(1,948)	(1,781)	(1,852)	(2,010)	(7,591)	(2,375)	(2,263)	(2,250)	(2,190)	(9,078)	(2,839)	(2,341)	(2,483)	(2,551)	(10,214)
Total	(5,222)	(5,339)	(5,492)	(6,022)	(22,075)	(6,247)	(6,196)	(5,906)	(5,731)	(24,080)	(6,157)	(6,101)	(6,154)	(6,353)	(24,765)
Combined charges															
Cost of revenue	(329)	(523)	(429)	(980)	(2,261)	(930)	(635)	(450)	(342)	(2,357)	(303)	(368)	(460)	(368)	(1,499)
Amortization of acquired technology	(529)	(529)	(529)	(4,627)	(6,214)	(2,943)	(2,942)	(2,943)	(2,942)	(11,770)	(3,036)	(3,036)	(3,036)	(3,043)	(12,151)
Selling and marketing	(2,380)	(2,952)	(2,816)	(16,619)	(24,767)	(12,566)	(12,534)	(11,759)	(11,556)	(48,415)	(8,518)	(8,652)	(9,537)	(8,624)	(35,331)
Research and development	(1,400)	(3,947)	(1,614)	(2,004)	(8,965)	(1,621)	(1,546)	(1,309)	(1,139)	(5,615)	(1,101)	(1,330)	(1,488)	(1,402)	(5,321)
General and administrative	(1,958)	(1,925)	(1,904)	(4,336)	(10,123)	(4,354)	(3,031)	(2,240)	(2,346)	(11,971)	(2,917)	(2,476)	(2,190)	(2,693)	(10,276)
Write off of in-process research and development	(1,270)	-	-	-	(1,270)	-	-	-	-	-	-	-	-	-	-
Total	(7,866)	(9,876)	(7,292)	(28,566)	(53,600)	(22,414)	(20,688)	(18,701)	(18,325)	(80,128)	(15,875)	(15,862)	(16,711)	(16,130)	(64,578)

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Websense, Inc.
Reconciliation of GAAP to Non-GAAP Financial Measures
(Unaudited and in thousands, except per share amounts)

	Q1 2007	Q2 2007 (as restated)	Q3 2007 (as restated)	Q4 2007 (as restated)	FY2007 (as restated)	Q1 2008 (as restated)	Q2 2008 (as restated)	Q3 2008 (as restated)	Q4 2008 (as restated)	FY2008 (as restated)	Q1 2009 (as restated)	Q2 2009 (as restated)	Q3 2009	Q4 2009	FY2009
GAAP Revenues	\$ 49,747	\$ 50,449	\$ 50,429	\$ 59,682	\$ 210,307	\$ 65,120	\$ 70,262	\$ 74,884	\$ 78,008	\$ 288,274	\$ 77,566	\$ 77,837	\$ 78,601	\$ 79,709	\$ 313,713
Deferred revenue related to SurfControl acquisition (1)	\$ -	\$ -	\$ -	\$ 25,436	\$ 25,436	\$ 20,016	\$ 15,557	\$ 10,591	\$ 7,162	\$ 53,326	\$ 5,799	\$ 4,998	\$ 3,592	\$ 2,796	\$ 17,185
Non-GAAP Revenues	\$ 49,747	\$ 50,449	\$ 50,429	\$ 85,118	\$ 235,743	\$ 85,136	\$ 85,819	\$ 85,475	\$ 85,170	\$ 341,600	\$ 83,365	\$ 82,835	\$ 82,193	\$ 82,505	\$ 330,898
GAAP Gross margin	\$ 45,090	\$ 45,013	\$ 45,339	\$ 45,725	\$ 181,167	\$ 53,241	\$ 58,578	\$ 62,589	\$ 65,706	\$ 240,114	\$ 65,736	\$ 65,438	\$ 65,432	\$ 66,303	\$ 262,907
Deferred revenue related to SurfControl acquisition (1)	-	-	-	25,436	25,436	20,016	15,557	10,591	7,162	53,326	5,799	4,998	3,592	2,796	17,185
Amortization of acquired technology (3)	529	529	529	4,627	6,214	2,942	2,942	2,943	2,942	11,769	3,036	3,035	3,034	3,043	12,148
Restructuring and integration related items (4)	-	-	54	585	639	564	303	130	43	1,040	3	-	-	-	2
Stock-based compensation (2)	329	390	375	406	1,500	367	332	320	299	1,318	300	368	345	368	1,381
Severance charges from Q3 2009 reduction in force (11)	-	-	-	-	-	-	-	-	-	-	-	-	115	-	115
Legal settlement (5)	-	133	-	(11)	122	-	-	-	-	-	-	-	-	-	-
Gross margin adjustment	858	1,052	958	31,043	33,911	23,889	19,134	13,984	10,446	67,453	9,138	8,401	7,086	6,207	30,832
Non-GAAP Gross margin	\$ 45,948	\$ 46,065	\$ 46,297	\$ 76,768	\$ 215,078	\$ 77,130	\$ 77,712	\$ 76,573	\$ 76,152	\$ 307,567	\$ 74,874	\$ 73,839	\$ 72,518	\$ 72,510	\$ 293,741
GAAP Operating expenses	\$ 40,495	\$ 42,050	\$ 40,361	\$ 76,962	\$ 199,868	\$ 69,287	\$ 69,547	\$ 66,914	\$ 68,234	\$ 273,982	\$ 63,900	\$ 64,047	\$ 64,169	\$ 67,734	\$ 259,848
Severance charges from Q3 2009 reduction in force (11)	-	-	-	(13,270)	(14,022)	(9,365)	(9,365)	(9,364)	(9,362)	(37,456)	-	-	(1,202)	-	(1,202)
Amortization of other intangible assets (3)	(250)	(251)	(251)	(13,270)	(14,022)	(9,365)	(9,365)	(9,364)	(9,362)	(37,456)	(6,590)	(6,590)	(6,591)	(6,590)	(26,363)
Restructuring and integration related items (4)	(595)	(584)	(966)	(4,322)	(6,467)	(3,289)	(1,882)	(358)	(247)	(5,776)	(89)	(135)	387	(144)	21
In-process research and development (6)	(1,270)	-	-	-	(1,270)	-	-	-	-	-	-	-	-	-	-
Stock-based compensation (2)	(4,893)	(4,949)	(5,117)	(5,616)	(20,575)	(5,889)	(5,864)	(5,586)	(5,432)	(22,771)	(5,857)	(5,733)	(5,810)	(5,985)	(23,384)
Legal settlement (5)	-	(3,040)	-	249	(2,791)	-	-	-	-	-	-	-	-	-	-
Operating expense adjustment	(7,008)	(8,824)	(6,334)	(22,959)	(45,125)	(18,543)	(17,111)	(15,308)	(15,041)	(66,003)	(12,536)	(12,458)	(13,216)	(12,719)	(50,928)
Non-GAAP Operating expenses	\$ 33,487	\$ 33,226	\$ 34,027	\$ 54,003	\$ 154,743	\$ 50,744	\$ 52,436	\$ 51,606	\$ 53,193	\$ 207,979	\$ 51,364	\$ 51,589	\$ 50,953	\$ 55,015	\$ 208,920
GAAP Loss from operations	\$ 4,595	\$ 2,963	\$ 4,978	\$ (31,237)	\$ (18,701)	\$ (16,046)	\$ (10,969)	\$ (4,325)	\$ (2,528)	\$ (33,868)	\$ 1,836	\$ 1,391	\$ 1,263	\$ (1,431)	\$ 3,059
Gross margin adjustment	858	1,052	958	31,043	33,911	23,889	19,134	13,984	10,446	67,453	9,138	8,401	7,086	6,207	30,832
Operating expense adjustment	7,008	8,824	6,334	22,959	45,125	18,543	17,111	15,308	15,041	66,003	12,536	12,458	13,216	12,719	50,928
Non-GAAP Income from operations	\$ 12,461	\$ 12,839	\$ 12,270	\$ 22,765	\$ 60,335	\$ 26,386	\$ 25,276	\$ 24,967	\$ 22,959	\$ 99,588	\$ 23,510	\$ 22,250	\$ 21,565	\$ 17,495	\$ 84,821
GAAP Net loss	\$ 3,867	\$ 1,276	\$ 6,351	\$ (27,975)	\$ (16,481)	\$ (6,701)	\$ (9,611)	\$ (4,813)	\$ (5,654)	\$ (26,779)	\$ (1,087)	\$ 3,335	\$ (1,925)	\$ (11,020)	\$ (10,697)
Gross margin adjustment	858	1,052	958	31,043	33,911	23,889	19,134	13,984	10,446	67,453	9,138	8,401	7,086	6,207	30,832
Operating expense adjustment	7,008	8,824	6,334	22,959	45,125	18,543	17,111	15,308	15,041	66,003	12,536	12,458	13,216	12,719	50,928
Amortization of deferred financing fees (7)	-	-	-	763	763	1,040	325	513	478	2,356	439	150	322	306	1,217
Net gain/loss associated with FX option contracts for SurfControl acquisition (8)	-	1,053	(843)	(157)	53	-	-	-	-	-	-	-	-	-	-
Impact of favorable tax ruling (9)	-	-	-	-	-	(2,682)	-	-	-	(2,682)	-	-	-	-	-
Income tax effect on the above items (10)	(2,095)	(2,327)	(1,893)	(14,460)	(20,775)	(18,886)	(11,516)	(10,297)	(6,760)	(47,459)	(6,443)	(10,666)	(5,097)	3,082	(19,125)
Non-GAAP Net income	\$ 9,638	\$ 9,878	\$ 10,907	\$ 12,173	\$ 42,596	\$ 15,203	\$ 15,443	\$ 14,695	\$ 13,551	\$ 58,892	\$ 14,583	\$ 13,678	\$ 13,602	\$ 11,294	\$ 53,157
GAAP Net loss per share	\$ 0.09	\$ 0.03	\$ 0.14	\$ (0.62)	\$ (0.36)	\$ (0.15)	\$ (0.21)	\$ (0.11)	\$ (0.13)	\$ (0.59)	\$ (0.02)	\$ 0.07	\$ (0.04)	\$ (0.25)	\$ (0.25)
Non-GAAP adjustments as described above per share, net of tax (1-11)	0.13	0.19	0.10	0.88	1.30	0.48	0.55	0.43	0.43	1.89	0.35	0.23	0.35	0.52	1.43
Non-GAAP Net income per share	\$ 0.21	\$ 0.22	\$ 0.24	\$ 0.27	\$ 0.93	\$ 0.33	\$ 0.34	\$ 0.32	\$ 0.30	\$ 1.29	\$ 0.32	\$ 0.30	\$ 0.30	\$ 0.26	\$ 1.19
GAAP Diluted common shares	45,485	45,561	45,607	45,339	45,107	45,395	45,208	45,097	45,065	45,190	44,825	44,857	44,131	43,720	44,262
Effect of dilutive securities (12)	-	-	-	332	453	373	369	517	301	378	176	-	467	553	416
Non-GAAP Diluted common shares	45,485	45,561	45,607	45,671	45,560	45,768	45,577	45,614	45,366	45,568	45,001	44,857	44,598	44,273	44,678

The non-GAAP financial measures included in the tables above are non-GAAP revenues, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP net income and non-GAAP net income per share, which adjust for the following items: acquisition related adjustments, stock-based compensation expense, amortization of intangible assets and certain other items. We believe the presentation of these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provides meaningful supplemental information regarding the Company's operating performance for the reasons discussed below. Our management uses these non-GAAP financial measures in assessing the Company's operating results, as well as when planning, forecasting and analyzing future periods. The annual operating plan approved by our Board of Directors is based upon non-GAAP financial measures and our management incentive plans also use non-GAAP financial measures as performance objectives. We believe that these non-GAAP financial measures also facilitate comparisons of the Company's performance to prior periods and to our peers and that investors benefit from an understanding of these non-financial measures.

(1) Deferred revenue related to SurfControl acquisition. We completed our acquisition of SurfControl in October 2007. At the time of the acquisition, SurfControl had recorded deferred revenue related to subscriptions commenced in the past for which revenue would be recognized in future periods (during the term of the subscription) as revenue recognition criteria are satisfied. The purchase accounting rules required us to write down a significant portion of this deferred revenue to its then current fair value. Consequently, in post acquisition periods, we do not recognize the full amount of this deferred revenue. When measuring the performance of our business, however, we add back non-GAAP revenue associated with the SurfControl deferred revenue that would have been recognized during the relevant accounting period that was excluded as a result of these purchase accounting adjustments, as we believe this provides information about the impact on operations of the acquired business in a manner consistent with the revenue recognition for our pre-existing services. We further believe that the inclusion of non-GAAP revenue enables investors to better understand the impact of the acquisition on the baseline revenue of the combined company and provides useful information to investors on revenue trends impacting the combined business.

(2) Stock-based compensation. Consists of non-cash expenses for employee stock options, restricted stock units and our employee stock purchase plan determined in accordance with the fair value method of accounting for share based compensation. When evaluating the performance of our business and developing short and long-term plans, we do not consider stock-based compensation charges. Although stock-based compensation is necessary to attract and retain quality employees, our consideration of stock-based compensation places its primary emphasis on overall shareholder dilution rather than the accounting charges associated with such grants. Because of varying available valuation methodologies, subjective assumptions and the variety of award types, we believe that the exclusion of stock-based compensation allows for more accurate comparison of our financial results to previous periods. In addition, we believe it is useful to investors to understand the specific impact of the application of the fair value method of accounting for share based compensation on our operating results.

(3) Amortization of acquired technology and other intangible assets. When conducting internal development of intangible assets (including developed technology, customer relationships, trade-marks, etc.), accounting rules require that we expense the costs as incurred. In the case of acquired businesses, however, we are required to allocate a portion of the purchase price to the accounting value assigned to intangible assets acquired and amortize this amount over the estimated useful lives of the acquired intangibles. The acquired company, in most cases, has itself previously expensed the costs incurred to develop the acquired intangible assets, and the purchase price allocated to these assets is not necessarily reflective of the cost we would incur in developing the intangible asset. We eliminate these amortization charges from our non-GAAP operating results to provide better comparability of pre and post-acquisition operating results and comparability to results of businesses utilizing internally developed intangible assets.

(4) Restructuring and integration. We have engaged in various restructuring and integration activities in connection with our acquisitions of SurfControl and PortAuthority that have resulted in costs associated with severance, benefits, excess facilities, integration travel, retention bonuses and professional fees. Each restructuring and integration has been a discrete event based on a unique set of business objectives or circumstances, and each has differed from the others in terms of its operational implementation, business impact and scope. We do not engage in these activities in the ordinary course of our business. We believe that it is important to understand these charges; however, we do not believe that these charges are indicative of future operating results and that investors benefit from an understanding of our operating results without giving effect to them, including in comparison to operating results for periods where no restructuring and integration costs were incurred.

- (5) Legal settlement. We excluded the impact of this legal settlement because we do not consider this litigation to be part of the ongoing operation of our business.
- (6) In-process research and development. We excluded this non-cash charge as its impact was non-recurring and it was unique to the PortAuthority acquisition. Further, we believe it is useful to investors to understand the specific impact of this charge on our operating results.
- (7) Amortization of deferred financing fees. This is a non-cash charge that can vary significantly in size and frequency depending on the optional prepayments we make on our senior secured term loan and, therefore, are disregarded by the Company's management when evaluating our ongoing performance and/or predicting our earnings trends, and excluded by us when presenting our non-GAAP financial measures. Further, we believe it is useful to investors to understand the specific impact of this charge on our operating results.
- (8) Net gain/loss associated with foreign exchange option contracts for SurfControl acquisition. These were gains/losses associated with hedging the purchase price for the SurfControl acquisition which was denominated in the British Pound. We excluded these gains/losses because they were unique non-recurring occurrences related to the SurfControl acquisition and we are not continuing to incur these gains/losses.
- (9) Impact of favorable tax ruling. During the first quarter of 2008, we received a favorable state tax ruling regarding unrecognized state income tax benefits. Because the impact is non-recurring, we excluded the impact when presenting non-GAAP financial measures.
- (10) Income tax effect on the above items. This amount adjusts the (benefit) provision for income taxes to reflect the effect of the non-GAAP adjustments on non-GAAP net income.
- (11) Severance charges from Q3 2009 reduction in force. We have excluded this non-recurring charge as it is not indicative of future operating results.
- (12) Effect of dilutive securities. The effect of dilutive securities was excluded from GAAP diluted common shares due to the reported net loss under GAAP, but are included for non-GAAP diluted common shares since we have non-GAAP net income.

WebSense, Inc.
Consolidated Balance Sheet
(Unaudited and in thousands)

	<u>Q1 2007</u>	<u>Q2 2007</u>	<u>Q3 2007</u>	<u>Q4 2007</u>	<u>Q1 2008</u>	<u>Q2 2008</u>	<u>Q3 2008</u>	<u>Q4 2008</u>	<u>Q1 2009</u>	<u>Q2 2009</u>	<u>Q3 2009</u>	<u>Q4 2009</u>
	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)
ASSETS												
CURRENT ASSETS:												
Cash and cash equivalents	\$ 27,238	\$ 28,513	\$ 45,645	\$ 66,090	\$ 69,524	\$ 63,551	\$ 60,386	\$ 64,096	\$ 74,182	\$ 75,550	\$ 76,256	\$ 82,862
Cash and cash equivalents - restricted	-	1,285	196,162	-	1,471	1,482	1,336	2,500	1,774	1,845	1,863	267
Marketable securities	234,123	16,380	15,035	19,781	632	-	-	-	-	-	-	-
Marketable securities - restricted	-	215,716	22,991	-	-	-	-	-	-	-	-	-
Accounts receivable, net	36,866	43,813	42,643	76,328	47,044	61,588	64,649	82,099	48,651	59,995	56,804	82,529
Income tax receivable	113	1,875	2,357	3,734	2,161	2,241	2,177	10,927	10,909	11,177	11,276	11,446
Current portion of deferred income taxes	18,073	18,092	18,052	22,870	29,634	30,962	31,389	34,198	34,529	34,272	33,571	36,538
Other current assets	5,212	5,385	5,167	10,109	11,325	12,922	8,062	9,029	9,149	10,409	11,037	11,461
TOTAL CURRENT ASSETS	321,625	331,059	348,052	198,912	161,791	172,746	167,999	202,849	179,194	193,248	190,807	225,103
Cash and cash equivalents - restricted, less current portion	1,600	1,600	1,600	1,862	1,642	1,642	1,642	215	42	-	168	167
Property and equipment, net	7,288	7,679	7,592	17,657	17,288	16,304	15,691	14,312	15,338	16,232	15,631	16,494
Intangible assets, net	14,897	14,017	13,138	152,906	140,875	129,496	117,748	106,493	96,657	86,810	76,996	67,563
Goodwill	73,380	73,467	73,625	385,916	377,726	376,135	373,428	372,624	372,624	372,445	372,445	372,445
Deferred income taxes, less current portion	16,713	20,600	21,996	19,288	29,557	36,476	39,113	24,237	27,274	29,314	29,211	11,795
Deposits and other assets	913	7,675	5,786	4,198	3,476	3,090	4,419	3,933	3,421	3,319	2,946	8,094
TOTAL ASSETS	\$ 436,416	\$ 456,097	\$ 471,789	\$ 780,739	\$ 732,355	\$ 735,889	\$ 720,040	\$ 724,663	\$ 694,550	\$ 701,368	\$ 688,204	\$ 701,661
LIABILITIES & STOCKHOLDERS' EQUITY												
CURRENT LIABILITIES:												
Accounts payable	\$ 1,935	\$ 2,542	\$ 1,425	\$ 3,255	\$ 256	\$ 1,640	\$ 1,303	\$ 2,719	\$ 3,607	\$ 5,121	\$ 2,666	\$ 5,135
Accrued compensation and related benefits	10,354	11,341	13,216	28,960	19,958	18,659	18,292	19,129	16,401	18,766	19,175	21,953
Other accrued expenses	9,495	12,529	12,414	30,449	31,132	26,936	26,763	27,946	26,472	25,528	25,359	21,253
Current portion of income taxes payable	2,232	486	1,477	1,388	7,826	15,375	12,370	7,135	11,022	1,583	3,606	1,938
Current portion of senior secured term loan	-	-	-	-	-	-	737	4,112	7,418	11,217	13,063	12,429
Current portion of deferred tax liability	-	-	-	10,399	7,984	6,055	5,530	1,053	685	315	119	4,572
Current portion of deferred revenue	143,509	145,362	145,742	191,022	195,494	206,672	208,837	223,944	217,267	217,410	218,566	239,010
TOTAL CURRENT LIABILITIES	167,525	172,260	174,274	265,473	262,650	275,337	273,832	286,038	282,872	279,940	282,554	306,290
Other long term liabilities	-	-	-	1,634	3,426	1,796	1,410	2,616	2,006	1,512	10	10
Income taxes payable, less current portion	9,248	11,188	10,468	13,210	9,322	9,661	9,192	10,098	10,432	14,097	12,920	15,988
Senior secured term loan, less current portion	-	-	-	190,000	160,000	155,000	139,263	120,888	102,582	98,783	85,938	74,571
Deferred tax liability, less current portion	-	-	-	20,964	15,959	11,582	10,334	10,523	8,840	8,658	7,083	970
Deferred revenue, less current portion	69,935	72,171	73,528	97,021	95,356	101,787	106,199	117,840	113,966	118,213	122,910	141,102
TOTAL LIABILITIES	246,708	255,619	258,270	588,302	546,713	555,163	540,230	548,003	520,698	521,203	511,415	538,931
STOCKHOLDERS' EQUITY												
Common stock	511	513	514	515	516	519	521	522	523	527	527	529
Additional paid-in capital	242,750	252,286	258,925	267,142	273,612	282,489	291,575	300,050	305,608	315,663	321,672	330,451
Treasury stock, at cost	(139,744)	(139,779)	(139,786)	(139,792)	(144,797)	(149,829)	(154,836)	(159,842)	(167,427)	(174,935)	(182,667)	(194,672)
Retained earnings	86,239	87,515	93,866	65,892	59,191	49,580	44,767	39,113	38,026	41,361	39,435	28,416
Accumulated other comprehensive loss	(48)	(57)	-	(1,320)	(2,880)	(2,033)	(2,217)	(3,183)	(2,878)	(2,451)	(2,178)	(1,994)
TOTAL STOCKHOLDERS' EQUITY	189,708	200,478	213,519	192,437	185,642	180,726	179,810	176,660	173,852	180,165	176,789	162,730
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$ 436,416	\$ 456,097	\$ 471,789	\$ 780,739	\$ 732,355	\$ 735,889	\$ 720,040	\$ 724,663	\$ 694,550	\$ 701,368	\$ 688,204	\$ 701,661

NOTE: These financial statements should be read in conjunction with the audited financial statements and notes thereto, included in WebSense Inc.'s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission as well as the interim financial statements and notes thereto included in WebSense's Quarterly Reports on Form 10-Q. Certain reclassifications have been made for consistent presentation.

Websense, Inc.
Consolidated Statement of Cash Flows
(Unaudited and in thousands)

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY2009
	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)
Operating activities:															
Net income (loss)	\$ 3,867	\$ 1,276	\$ 6,351	\$ (27,975)	\$ (16,481)	\$ (6,701)	\$ (9,611)	\$ (4,813)	\$ (5,654)	\$ (26,779)	\$ (1,087)	\$ 3,335	\$ (1,925)	\$ (11,020)	\$ (10,697)
Adjustments to reconcile net income (loss) to net cash by operating activities:															
Depreciation and amortization	3,232	1,951	2,036	21,385	28,604	16,064	15,426	15,666	15,838	62,994	12,904	12,591	12,962	12,727	51,184
Share-based compensation	5,222	5,339	5,492	6,022	22,075	6,247	6,198	5,910	5,734	24,089	6,157	6,100	6,155	6,353	24,765
Deferred income taxes	(1,119)	(3,914)	(1,352)	(8,497)	(14,882)	(19,050)	(13,576)	(3,777)	8,174	(28,229)	(5,676)	(2,551)	(1,151)	11,022	3,271
Unrealized gain (loss) on foreign exchange	6	19	(74)	592	543	640	(610)	(106)	(556)	(632)	(436)	550	27	371	512
Tax shortfall (windfall) from stock option exercises	-	-	-	-	-	-	719	(110)	197	806	625	996	189	412	2,222
Excess tax benefit from share-based compensation	(224)	592	(1,331)	(89)	(1,052)	-	-	-	-	-	-	-	-	-	-
Changes in operating assets and liabilities:															
Accounts receivable	16,609	(6,977)	1,170	(17,546)	(6,744)	28,916	(14,099)	(3,033)	(15,549)	(3,765)	33,775	(12,813)	2,426	(23,945)	(535)
Other assets	(2,492)	(4,609)	(1,057)	2,998	(5,160)	112	(1,874)	3,068	(9,577)	(8,271)	(574)	(1,488)	(590)	(6,568)	(10,902)
Accounts payable	(935)	599	(1,117)	273	(1,180)	(3,073)	1,413	(214)	763	(1,111)	1,187	628	(1,676)	2,642	2,659
Accrued compensation and related benefits	(1,687)	952	1,868	(45)	1,088	(7,826)	(946)	322	2,732	(5,718)	(2,841)	2,403	182	3,485	3,102
Other liabilities	2,023	2,519	(289)	(9,910)	(5,657)	(2,448)	(2,831)	2,012	683	(2,584)	(998)	(443)	(795)	(5,830)	(7,749)
Deferred revenue	(6,899)	4,089	1,408	49,064	47,662	3,555	6,577	26,746	54,465	(10,550)	4,390	5,852	38,637	38,329	
Income taxes payable	3,665	655	761	(364)	4,717	2,473	7,244	(3,722)	(5,449)	546	3,692	(7,033)	876	1,140	(1,360)
Net cash provided by operating activities	21,268	2,491	13,866	15,908	53,533	18,910	5,039	17,780	24,082	65,811	36,178	6,665	22,533	29,426	94,801
Investing activities:															
Change in restricted cash and cash equivalents	-	(1,285)	(194,877)	195,901	(261)	(1,240)	-	-	-	(1,240)	913	-	(166)	1,600	2,347
Purchase of property and equipment	(1,753)	(1,524)	(1,085)	(1,504)	(5,866)	(2,388)	(1,721)	(2,180)	(1,622)	(7,911)	(3,402)	(2,735)	(2,876)	(3,000)	(12,013)
Purchase of intangible assets	-	-	-	-	-	(375)	(565)	(875)	(246)	(2,061)	-	-	-	(320)	(320)
Cash refunded (paid) to acquire PortAuthority, net of cash acquired	(81,967)	(21)	-	-	(81,988)	147	-	-	-	147	-	-	-	-	-
Cash paid to acquire SurfControl, net of cash acquired	-	-	-	(395,062)	(395,062)	-	-	-	-	-	-	-	-	-	-
Cash received from sale of CyberPatrol assets	-	-	-	-	-	1,400	-	-	-	1,400	-	-	-	-	-
Net cash paid for option contracts on SurfControl acquisition	-	(4,590)	3,944	204	(442)	-	-	-	-	-	-	-	-	-	-
Purchases of marketable securities	(168,417)	(59,394)	(81,118)	(197,984)	(506,913)	(20,160)	-	-	-	(20,160)	-	-	-	-	-
Maturities of marketable securities	177,712	63,771	82,736	406,376	730,595	39,323	640	-	-	39,963	-	-	-	-	-
Purchases of marketable securities - restricted	-	(54,311)	(109,367)	163,678	-	-	-	-	-	-	-	-	-	-	-
Maturities of marketable securities - restricted	-	51,939	301,886	(353,825)	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	(74,425)	(5,415)	2,119	(182,216)	(259,937)	16,707	(1,646)	(3,055)	(1,868)	10,138	(2,489)	(2,735)	(3,042)	(1,720)	(9,986)
Financing activities:															
Borrowings under senior secured term loan	-	-	-	210,000	210,000	-	-	-	-	-	-	-	-	-	-
Principal payments on senior secured term loan	-	-	-	(20,000)	(20,000)	(30,000)	(5,000)	(15,000)	(15,000)	(65,000)	(15,000)	-	(11,000)	(12,000)	(38,000)
Cash paid for deferred financing fees under senior secured credit facility	-	-	-	(5,444)	(5,444)	-	-	-	-	-	-	-	-	-	-
Repayment of PortAuthority loan	(4,214)	-	-	-	(4,214)	-	-	-	-	-	-	-	-	-	-
Proceeds from exercise of stock options	862	1,526	658	214	3,260	224	496	3,069	522	4,311	26	2,168	43	196	2,433
Proceeds from issuance of common stock for stock purchase plan	-	2,212	-	2,105	4,317	-	2,903	-	2,418	5,321	-	2,787	-	2,645	5,432
Tax (shortfall) windfall from stock option exercises	224	461	489	(122)	1,052	-	(719)	110	(197)	(806)	(625)	(996)	(189)	(412)	(2,222)
Purchase of treasury stock	-	-	-	-	-	(2,797)	(7,201)	(5,000)	(5,000)	(19,998)	(7,027)	(7,621)	(7,807)	(11,703)	(34,158)
Net cash (used in) provided by financing activities	(3,128)	4,199	1,147	186,753	188,971	(32,573)	(9,521)	(16,821)	(17,257)	(76,172)	(22,626)	(3,662)	(18,953)	(21,274)	(66,515)
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-	-	391	153	(1,068)	(1,247)	(1,771)	(977)	1,100	169	174	466
Increase (decrease) in cash and cash equivalents	(56,285)	1,275	17,132	20,445	(17,433)	3,435	(5,975)	(3,164)	3,710	(1,994)	10,086	1,368	707	6,606	18,766
Cash and cash equivalents at beginning of period	83,523	27,238	28,513	45,645	83,523	66,090	69,525	63,550	60,386	66,090	64,096	74,182	75,550	76,256	64,096
Cash and cash equivalents at end of period	\$ 27,238	\$ 28,513	\$ 45,645	\$ 66,090	\$ 66,090	\$ 69,525	\$ 63,550	\$ 60,386	\$ 64,096	\$ 64,096	\$ 74,182	\$ 75,550	\$ 76,256	\$ 82,862	\$ 82,862

NOTE: These financial statements should be read in conjunction with the audited financial statements and notes thereto, included in Websense Inc.'s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, as well as the interim financial statements and notes thereto included in Websense's Quarterly Reports on Form 10-Q. Certain reclassifications have been made for consistent presentation.

Websense, Inc.
Rollforward of Deferred Revenue
(Unaudited and in thousands)

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
Revenue Reconciliation															
GAAP Revenues	\$ 49,747	\$ 50,449	\$ 50,429	\$ 59,682	\$ 210,307	\$ 65,120	\$ 70,262	\$ 74,884	\$ 78,008	\$ 288,274	\$ 77,566	\$ 77,837	\$ 78,601	\$ 79,709	\$ 313,713
Deferred revenue related to SurfControl acquisition	-	-	-	25,436	25,436	20,016	15,557	10,591	7,162	53,326	5,799	4,998	3,592	2,796	17,185
Non-GAAP Revenues	\$ 49,747	\$ 50,449	\$ 50,429	\$ 85,118	\$ 235,743	\$ 85,136	\$ 85,819	\$ 85,475	\$ 85,170	\$ 341,600	\$ 83,365	\$ 82,835	\$ 82,193	\$ 82,505	\$ 330,898
Rollforward of Deferred Revenue															
GAAP Deferred revenue beginning balance	\$ 220,343	\$ 213,444	\$ 217,533	\$ 219,270	\$ 220,343	\$ 288,043	\$ 290,849	\$ 308,458	\$ 315,035	\$ 288,043	\$ 341,783	\$ 331,233	\$ 335,623	\$ 341,476	\$ 341,783
Deferred revenue from acquisitions	329	-	-	19,823	20,152	72	-	-	-	72	-	-	-	-	-
FX translation adjustment	-	-	-	-	-	314	580	(1,222)	(1,096)	(1,424)	-	-	-	-	-
Net billings during the quarter	42,519	54,538	52,166	108,632	257,855	67,540	87,291	82,683	105,852	343,366	67,016	82,227	84,454	118,345	352,042
Less GAAP Revenue recognized during the quarter	(49,747)	(50,449)	(50,429)	(59,682)	(210,307)	(65,120)	(70,262)	(74,884)	(78,008)	(288,274)	(77,566)	(77,837)	(78,601)	(79,709)	(313,713)
GAAP Deferred revenue ending balance	\$ 213,444	\$ 217,533	\$ 219,270	\$ 288,043	\$ 288,043	\$ 290,849	\$ 308,458	\$ 315,035	\$ 341,783	\$ 341,783	\$ 331,233	\$ 335,623	\$ 341,476	\$ 380,112	\$ 380,112
Rollforward of Non-GAAP Deferred Revenue															
Non-GAAP Deferred revenue beginning balance	\$ 220,343	\$ 213,444	\$ 217,533	\$ 219,270	\$ 220,343	\$ 363,728	\$ 347,106	\$ 349,359	\$ 344,878	\$ 363,728	\$ 364,070	\$ 347,720	\$ 347,112	\$ 349,374	\$ 364,070
FX translation adjustment	-	-	-	-	-	974	781	(1,689)	(1,490)	(1,424)	-	-	-	-	-
Deferred revenue from acquisitions	329	-	-	120,944	121,273	-	-	-	-	-	-	-	-	-	-
Net billings during the quarter	42,519	54,538	52,166	108,632	257,855	67,540	87,291	82,683	105,852	343,366	67,016	82,227	84,454	118,345	352,042
Less Non-GAAP Revenue recognized during the quarter	(49,747)	(50,449)	(50,429)	(85,118)	(235,743)	(85,136)	(85,819)	(85,475)	(85,170)	(341,600)	(83,365)	(82,835)	(82,193)	(82,505)	(330,898)
Non-GAAP Deferred revenue ending balance	\$ 213,444	\$ 217,533	\$ 219,270	\$ 363,728	\$ 363,728	\$ 347,106	\$ 349,359	\$ 344,878	\$ 364,070	\$ 364,070	\$ 347,721	\$ 347,112	\$ 349,374	\$ 385,214	\$ 385,214
Reconciliation of GAAP to Non-GAAP Deferred Revenue															
GAAP deferred revenue ending balance	\$ 213,444	\$ 217,533	\$ 219,270	\$ 288,043	\$ 288,043	\$ 290,849	\$ 308,458	\$ 315,035	\$ 341,783	\$ 341,783	\$ 331,233	\$ 335,623	\$ 341,476	\$ 380,112	\$ 380,112
Addback: Deferred revenue related to SurfControl acquisition	-	-	-	75,685	75,685	56,257	40,901	29,843	22,287	22,287	16,488	11,489	7,898	5,102	5,102
Non-GAAP deferred revenue ending balance	\$ 213,444	\$ 217,533	\$ 219,270	\$ 363,728	\$ 363,728	\$ 347,106	\$ 349,359	\$ 344,878	\$ 364,070	\$ 364,070	\$ 347,721	\$ 347,112	\$ 349,374	\$ 385,214	\$ 385,214

NOTE: This financial information should be read in conjunction with the audited financial statements and notes thereto, included in Websense Inc.'s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission as well as the interim financial statements and notes thereto included in Websense's Quarterly Reports on Form 10-Q. Certain reclassifications have been made for consistent presentation.