

# INVESTOR METRICS 2017 (2016 Tax Adjusted<sup>9</sup>)

	Q1-16	Q2-16	Q3-16	Q4-16	Total	Q1-17	
<b>Revenue (\$000s)</b> <sup>(1)</sup>	Service Revenue	\$69,106	\$72,590	\$78,871	\$92,490	\$313,057	\$92,420
	Store Revenue	\$5,555	\$4,851	\$4,703	\$5,125	\$20,234	\$5,714
	Insurance Revenue	\$4,511	\$4,082	\$4,050	\$4,657	\$17,300	\$4,440
	Mailing & Shipping Revenue	\$79,172	\$81,523	\$87,624	\$102,272	\$350,591	\$102,574
	Customized Postage Revenue	\$2,637	\$2,467	\$4,912	\$3,599	\$13,615	\$2,442
	Other Revenue	\$28	\$23	\$23	\$25	\$99	\$24
	Total Revenue	\$81,837	\$84,013	\$92,559	\$105,896	\$364,305	\$105,040
	Total Revenue (YoY % Change)	86%	74%	79%	52%	70%	28%
<b>Mailing &amp; Shipping Metrics</b> <sup>(2)</sup>	Paid Customers (000s) <sup>(3)</sup>	649	646	648	681	656	722
	Paid Customers (YoY % Change)	17%	14%	14%	8%	13%	11%
	Revenue (\$000s) <sup>(4)</sup>	\$79,172	\$81,523	\$87,624	\$102,272	\$350,591	\$102,574
	Revenue (YoY % Change)	84%	72%	78%	52%	70%	30%
	Monthly ARPU <sup>(5)</sup>	\$40.65	\$42.06	\$45.05	\$50.03	\$44.52	\$47.36
	Monthly ARPU (YoY % Change)	58%	51%	56%	42%	50%	17%
	Postage Printed (\$000s) <sup>(6)</sup>	\$1,338,822	\$1,303,737	\$1,299,155	\$1,576,376	\$5,518,090	\$1,470,614
	Postage Printed (YoY % Change)	142%	138%	137%	53%	106%	10%
<b>Financial Metrics</b> <sup>(7)</sup>	Non-GAAP Gross Profit	\$67,640	\$70,743	\$76,307	\$88,470	\$303,160	\$87,850
	Non-GAAP Gross Margin	82.7%	84.2%	82.4%	83.5%	83.2%	83.6%
	Non-GAAP Operating Income	\$33,615	\$37,140	\$44,402	\$54,643	\$169,800	\$50,013
	Non-GAAP Operating Income (YoY % Change)	170%	121%	117%	88%	115%	49%
	Non-GAAP Adjusted Income (Recast) <sup>(8)</sup>	\$21,118	\$23,383	\$28,099	\$34,755	\$107,356	\$33,248
	Non-GAAP Adjusted Income (YoY % Change)	n.a.	n.a.	n.a.	n.a.	n.a.	57%
	Non-GAAP EPS (Recast) <sup>(9)</sup>	\$1.13	\$1.29	\$1.55	\$1.93	\$5.88	\$1.83
	Non-GAAP EPS (YoY % Change)	n.a.	n.a.	n.a.	n.a.	n.a.	62%
	Adjusted EBITDA <sup>(8)</sup>	\$34,750	\$38,237	\$45,558	\$55,865	\$174,411	\$51,242
	Adjusted EBITDA Margin	42.5%	45.5%	49.2%	52.8%	47.9%	48.8%
Adjusted EBITDA (YoY % Change)	161%	116%	113%	85%	111%	47%	

(1) All revenue numbers are presented on a GAAP basis.

(2) Mailing and shipping metrics are for the mailing and shipping business only and exclude the customized postage business. See the Company's 10-K filings for further discussion.

(3) Mailing and shipping paid customers for the quarter is defined as the number of unique mailing and shipping customers that the Company earned revenue from during that quarter. Paid customers for the year is calculated as the average of the paid customers for the four quarters during that year. Paid customers include ShipStation customers as of Q3-14, ShipWorks customers as of Q4-14, Endicia customers as of Q4-15, and ShippingEasy customers as of Q3-16.

(4) Mailing and shipping revenue includes service, product and insurance revenue from mailing and shipping customers. Mailing and shipping revenue includes ShipStation, ShipWorks, Endicia, and ShippingEasy revenue as of the closing date of the acquisition.

(5) Mailing and shipping monthly ARPU for the quarter is calculated as [mailing and shipping revenue for the quarter] / [mailing and shipping paid customers for the quarter] / 3 months. Monthly ARPU for the year is calculated as [mailing and shipping revenue for the year] / [mailing and shipping paid customers for the year] / 12 months.

(6) Mailing and shipping postage printed includes postage printed by the Company's mailing and shipping customers using its solutions. Includes ShipStation as of Q3-14, ShipWorks as of Q4-14, Endicia as of the acquisition closing date, and ShippingEasy as of Q3-16. Beginning Q4-16, we updated our methodology for measuring the amount of mailing and shipping postage printed. Q1-16 through Q3-16 metrics have also been revised upwards using the updated methodology.

(7) All Financial Metrics are provided on a Non-GAAP basis. Non-GAAP measures (1) exclude certain non-cash items such as stock-based compensation expense, contingent consideration charges, amortization of acquired intangibles and capitalized debt issuance costs and include income tax adjustments and (2) exclude certain non-recurring expenses such as asset write-offs, acquisition and integration related corporate development expenses and litigation settlements. For reconciliations of Non-GAAP to GAAP, see the Company's prior 8-K filings as hyperlinked above or on subsequent pages.

(8) Non-GAAP Adjusted EBITDA is calculated as Non-GAAP Operating Income plus depreciation and amortization contained in cost of sales and operating expenses less capital expenditures for the business. Calculation excludes capital expenditures on the Company owned corporate headquarters.

(9) We adopted ASU 2016-09 in the first quarter of 2017. The impacts of adoption, such as the recognition of excess tax benefits for share-based awards that vested or settled in the quarter as a reduction to our provision for income taxes, have been reflected in our income statement for all periods in 2017. In order to provide comparable year-over-year results, Non-GAAP income in all periods in fiscal year 2016 was adjusted for Non-GAAP income taxes at the fiscal year 2016 effective tax rate of 35.7%. Please see the Company's 8-K related to the Company's first quarter 2017 earnings for a more detailed discussion of our recast numbers.

	Q1-16	Q2-16	Q3-16	Q4-16	Total	Q1-17	
<b>Revenue (\$000s) <sup>(1)</sup></b>	Service Revenue	\$69,106	\$72,590	\$78,871	\$92,490	\$313,057	\$92,420
	Store Revenue	\$5,555	\$4,851	\$4,703	\$5,125	\$20,234	\$5,714
	Insurance Revenue	\$4,511	\$4,082	\$4,050	\$4,657	\$17,300	\$4,440
	Mailing & Shipping Revenue	\$79,172	\$81,523	\$87,624	\$102,272	\$350,591	\$102,574
	Customized Postage Revenue	\$2,637	\$2,467	\$4,912	\$3,599	\$13,615	\$2,442
	Other Revenue	\$28	\$23	\$23	\$25	\$99	\$24
	Total Revenue	\$81,837	\$84,013	\$92,559	\$105,896	\$364,305	\$105,040
	Total Revenue (YoY % Change)	86%	74%	79%	52%	70%	28%
<b>Mailing &amp; Shipping Metrics <sup>(2)</sup></b>	Paid Customers (000s) <sup>(3)</sup>	649	646	648	681	656	722
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	Revenue (YoY % Change)	84%	72%	78%	52%	70%	30%
	Monthly ARPU <sup>(5)</sup>	\$40.65	\$42.06	\$45.05	\$50.03	\$44.52	\$47.36
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	Postage Printed (\$000s) <sup>(6)</sup>	\$1,338,822	\$1,303,737	\$1,299,155	\$1,576,376	\$5,518,090	\$1,470,614
	Postage Printed (YoY % Change)	142%	138%	137%	53%	106%	10%
<b>Financial Metrics <sup>(7)</sup></b>	Non-GAAP Gross Profit	\$67,640	\$70,743	\$76,307	\$88,470	\$303,160	\$87,850
	Non-GAAP Gross Margin	82.7%	84.2%	82.4%	83.5%	83.2%	83.6%
	Non-GAAP Operating Income	\$33,615	\$37,140	\$44,402	\$54,643	\$169,800	\$50,013
	Non-GAAP Operating Income (YoY % Change)	170%	121%	117%	88%	115%	49%
	Non-GAAP Adjusted Income	\$32,037	\$35,303	\$42,246	\$49,221	\$158,808	\$33,248
	Non-GAAP Adjusted Income (YoY % Change)	163%	111%	111%	75%	106%	4%
	Non-GAAP EPS	\$1.72	\$1.94	\$2.33	\$2.73	\$8.70	\$1.83
	Non-GAAP EPS (YoY % Change)	139%	100%	104%	74%	96%	7%
	Adjusted EBITDA <sup>(8)</sup>	\$34,750	\$38,237	\$45,558	\$55,865	\$174,411	\$51,242
	Adjusted EBITDA Margin	42.5%	45.5%	49.2%	52.8%	47.9%	48.8%
Adjusted EBITDA (YoY % Change)	161%	116%	113%	85%	111%	47%	

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(9) We adopted ASU 2016-09 in the first quarter of 2017. The impacts of adoption, such as the recognition of excess tax benefits for share-based awards that vested or settled in the quarter as a reduction to our provision for income taxes, have been reflected in our income statement for all periods in 2017. In order to provide comparable year-over-year results, Non-GAAP income in all periods in fiscal year 2016 was adjusted for Non-GAAP income taxes at the fiscal year 2016 effective tax rate of 35.7%. Please see the Company's 8-K related to the Company's first quarter 2017 earnings for a more detailed discussion of our recast numbers.

# First Quarter 2017 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$17.74	\$0.55	\$-	\$ -	\$-	\$17.19
Research & Development	10.52	2.50	-	-	-	8.03
Sales & Marketing	23.15	2.31	-	-	-	20.84
General & Administrative	18.98	6.02	4.00	-	-	8.97
<b>Total Expenses</b>	<b>70.39</b>	<b>11.37</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>55.03</b>
Income (Loss) from Operations	34.65	(11.37)	(4.00)	-	-	50.01
Interest and Other Income (Loss)	(0.85)	-	-	(0.09)	-	(0.76)
Pre-Tax Income (Loss)	33.80	(11.37)	(4.00)	(0.09)	-	49.26
Benefit (Expense) for Income Taxes	(0.66)	-	-	-	15.35	(16.01)
<b>Adjusted Income (Loss)</b>	<b>33.14</b>	<b>(11.37)</b>	<b>(4.00)</b>	<b>(0.09)</b>	<b>15.35</b>	<b>33.25</b>
<b>On a diluted per share basis</b>	<b>\$1.82</b>	<b>\$(0.63)</b>	<b>\$(0.22)</b>	<b>\$(0.01)</b>	<b>\$0.84</b>	<b>\$1.83</b>

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

	Three Months ended March 31	
	2017	2016
GAAP Net Income (Loss)	\$33.14	\$13.24
Depreciation and Amortization expense	\$5.23	\$4.46
Interest & Other Expense (Income), net	\$0.85	\$0.87
Income Tax Expense (Benefit), net	\$0.66	\$8.11
Stock-based Compensation Expense	\$11.37	\$7.52
Non-Recurring Expenses	\$ --	\$0.56
<b>Adjusted EBITDA</b>	<b>\$51.24</b>	<b>\$34.75</b>
<b>Adjusted EBITDA Margin</b>	<b>48.8%</b>	<b>42.5%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$86.74	\$(0.55)	\$87.28
Customized Postage Gross Profit	0.55	(0.00)	0.55
<b>Total Gross Profit</b>	<b>87.30</b>	<b>(0.55)</b>	<b>87.85</b>
Mailing and Shipping Gross Margin	84.6%	(0.5%)	85.1%
Customized Postage Gross Margin	22.5%	(0.1%)	22.6%
<b>Total Gross Margin</b>	<b>83.1%</b>	<b>(0.5%)</b>	<b>83.6%</b>

## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Acquisition Related Expenses	Debt Amortization Expense	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$62.97	\$1.83	\$-	\$-	\$-	\$-	\$61.14
Research & Development	35.16	6.63	-	-	-	-	28.52
Sales & Marketing	78.83	7.19	-	-	-	-	71.64
General & Administrative	67.12	18.29	14.56	1.08	-	-	33.20
<b>Total Expenses</b>	<b>244.08</b>	<b>33.95</b>	<b>14.56</b>	<b>1.08</b>	<b>-</b>	<b>-</b>	<b>194.50</b>
Income (Loss) from Operations	120.22	(33.95)	(14.56)	(1.08)	-	-	169.80
Interest and Other Income (Loss)	(3.25)	-	-	-	(0.37)	-	(2.87)
Pre-Tax Income (Loss)	116.97	(33.95)	(14.56)	(1.08)	(0.37)	-	166.93
Benefit (Expense) for Income Taxes*	(41.74)	-	-	-	-	17.85	(59.59)
<b>Adjusted Income (Loss)</b>	<b>75.23</b>	<b>(33.95)</b>	<b>(14.56)</b>	<b>(1.08)</b>	<b>(0.37)</b>	<b>17.85</b>	<b>107.33</b>
<b>On a diluted per share basis</b>	<b>\$4.12</b>	<b>\$(1.86)</b>	<b>\$(0.80)</b>	<b>\$(0.06)</b>	<b>\$(0.02)</b>	<b>\$0.98</b>	<b>\$5.88</b>
Shares used in per share calculation	18.25	18.25	18.25	18.25	18.25	18.25	18.25

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## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization Expense	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$17.90	\$0.48	\$-	\$-	\$-	\$17.43
Research & Development	9.58	1.94	-	-	-	7.64
Sales & Marketing	19.12	1.87	-	-	-	17.25
General & Administrative	17.85	4.91	4.01	-	-	8.93
<b>Total Expenses</b>	<b>64.45</b>	<b>9.19</b>	<b>4.01</b>	<b>-</b>	<b>-</b>	<b>51.25</b>
Income (Loss) from Operations	41.44	(9.19)	(4.01)	-	-	54.64
Interest and Other Income (Loss)	(0.70)	-	-	(0.09)	-	(0.60)
<b>Pre-Tax Income (Loss)</b>	<b>40.75</b>	<b>(9.19)</b>	<b>(4.01)</b>	<b>(0.09)</b>	<b>-</b>	<b>54.04</b>
Benefit (Expense) for Income Taxes*	(11.72)	-	-	-	7.57	(19.29)
<b>Adjusted Income (Loss)</b>	<b>29.03</b>	<b>(9.19)</b>	<b>(4.01)</b>	<b>(0.09)</b>	<b>7.57</b>	<b>34.75</b>
<b>On a diluted per share basis</b>	<b>\$1.61</b>	<b>\$(0.51)</b>	<b>\$(0.22)</b>	<b>\$(0.01)</b>	<b>\$0.42</b>	<b>\$1.93</b>
Shares used in per share calculation	18.03	18.03	18.03	18.03	18.03	18.03

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# Third Quarter 2016 GAAP to Non-GAAP Reconciliations (Tax Adjusted)\*



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$16.73	\$0.48	\$-	\$-	\$-	\$16.25
Research & Development	9.11	1.92	-	-	-	7.19
Sales & Marketing	18.23	1.73	-	-	-	16.50
General & Administrative	16.90	4.70	3.99	-	-	8.22
<b>Total Expenses</b>	<b>60.97</b>	<b>8.82</b>	<b>3.99</b>	<b>-</b>	<b>-</b>	<b>48.16</b>
Income (Loss) from Operations	31.59	(8.82)	(3.99)	-	-	44.40
Interest and Other Income (Loss)	(0.80)	-	-	(0.09)	-	(0.71)
Pre-Tax Income (Loss)	30.79	(8.82)	(3.99)	(0.09)	-	43.69
Benefit (Expense) for Income Taxes*	(12.12)	-	-	-	3.48	(15.60)
<b>Adjusted Income (Loss)</b>	<b>18.67</b>	<b>(8.82)</b>	<b>(3.99)</b>	<b>(0.09)</b>	<b>3.48</b>	<b>28.09</b>
<b>On a diluted per share basis</b>	<b>\$1.03</b>	<b>\$(0.49)</b>	<b>\$(0.22)</b>	<b>\$(0.01)</b>	<b>\$0.19</b>	<b>\$1.55</b>
Shares used in per share calculation	18.12	18.12	18.12	18.12	18.12	18.12

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**Reconciliation of GAAP to Non-GAAP Financial Measures**

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Acquisition Related Expenses	Debt Amortization	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$13.72	\$0.45	\$ -	\$ -	\$ -	\$ -	\$13.27
Research & Development	8.13	1.42	-	-	-	-	6.71
Sales & Marketing	20.08	1.86	-	-	-	-	18.22
General & Administrative	17.11	4.68	3.24	0.52	-	-	8.67
<b>Total Expenses</b>	<b>59.05</b>	<b>8.42</b>	<b>3.24</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>46.87</b>
Income (Loss) from Operations	24.97	(8.42)	(3.24)	(0.52)	-	-	37.14
Interest and Other Income (Loss)	(0.87)	-	-	-	(0.09)	-	(0.78)
<b>Pre-Tax Income (Loss)</b>	<b>24.09</b>	<b>(8.42)</b>	<b>(3.24)</b>	<b>(0.52)</b>	<b>(0.09)</b>	<b>-</b>	<b>36.36</b>
Benefit (Expense) for Income Taxes*	(9.80)	-	-	-	-	3.18	(12.98)
<b>Adjusted Income (Loss)</b>	<b>14.29</b>	<b>(8.42)</b>	<b>(3.24)</b>	<b>(0.52)</b>	<b>(0.09)</b>	<b>3.18</b>	<b>23.38</b>
<b>On a diluted per share basis</b>	<b>\$0.79</b>	<b>\$(0.46)</b>	<b>\$(0.18)</b>	<b>\$(0.03)</b>	<b>\$(0.01)</b>	<b>\$0.17</b>	<b>\$1.29</b>
Shares used in per share calculation	18.19	18.19	18.19	18.19	18.19	18.19	18.19

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	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Non-Recurring Expenses	Debt Amortization	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$14.62	\$0.42	\$ -	\$ -	\$ -	\$ -	\$14.20
Research & Development	8.34	1.36	-	-	-	-	6.98
Sales & Marketing	21.40	1.73	-	-	-	-	19.67
General & Administrative	15.26	4.01	3.32	0.56	-	-	7.38
<b>Total Expenses</b>	<b>59.62</b>	<b>7.52</b>	<b>3.32</b>	<b>0.56</b>	<b>-</b>	<b>-</b>	<b>48.22</b>
Income (Loss) from Operations	22.22	(7.52)	(3.32)	(0.56)	-	-	33.61
Interest and Other Income (Loss)	(0.87)	-	-	-	(0.09)	-	(0.78)
Pre-Tax Income (Loss)	21.35	(7.52)	(3.32)	(0.56)	(0.09)	-	32.84
Benefit (Expense) for Income Taxes*	(8.11)	-	-	-	-	3.61	(11.72)
<b>Adjusted Income (Loss)</b>	<b>13.24</b>	<b>(7.52)</b>	<b>(3.32)</b>	<b>(0.56)</b>	<b>(0.09)</b>	<b>3.61</b>	<b>21.12</b>
<b>On a diluted per share basis</b>	<b>\$0.71</b>	<b>\$(0.40)</b>	<b>\$(0.18)</b>	<b>\$(0.03)</b>	<b>\$(0.01)</b>	<b>\$0.19</b>	<b>\$1.13</b>
Shares used in per share calculation	18.66	18.66	18.66	18.66	18.66	18.66	18.66

\* We adopted ASU 2016-09 in the first quarter of 2017. The impacts of adoption, such as the recognition of excess tax benefits for share-based awards that vested or settled in the quarter as a reduction to our provision for income taxes, have been reflected in our income statement for all periods in 2017. In order to provide comparable year-over-year results, Non-GAAP income in all periods in fiscal year 2016 was adjusted for Non-GAAP income taxes at the fiscal year 2016 effective tax rate of 35.7%.



# Annual 2016 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Acquisition Related Expenses	Debt Amortization Expense	Income Tax Benefit (Expense)	Non-GAAP Amounts
Cost of Revenues	\$62.97	\$1.83	\$-	\$-	\$-	\$-	\$61.14
Research & Development	35.16	6.63	-	-	-	-	28.52
Sales & Marketing	78.83	7.19	-	-	-	-	71.64
General & Administrative	67.12	18.29	14.56	1.08	-	-	33.20
<b>Total Expenses</b>	<b>244.08</b>	<b>33.95</b>	<b>14.56</b>	<b>1.08</b>	<b>-</b>	<b>-</b>	<b>194.50</b>
Income (Loss) from Operations	120.22	(33.95)	(14.56)	(1.08)	-	-	169.80
Interest and Other Income (Loss)	(3.25)	-	-	-	(0.37)	-	(2.87)
Pre-Tax Income (Loss)	116.97	(33.95)	(14.56)	(1.08)	(0.37)	-	166.93
Benefit (Expense) for Income Taxes*	(41.74)	-	-	-	-	(33.62)	(8.12)
<b>Adjusted Income (Loss)</b>	<b>75.23</b>	<b>(33.95)</b>	<b>(14.56)</b>	<b>(1.08)</b>	<b>(0.37)</b>	<b>(33.62)</b>	<b>158.81</b>
<b>On a diluted per share basis</b>	<b>\$4.12</b>	<b>\$(1.86)</b>	<b>\$(0.80)</b>	<b>\$(0.06)</b>	<b>\$(0.02)</b>	<b>\$(1.84)</b>	<b>\$8.70</b>
Shares used in per share calculation	18.25	18.25	18.25	18.25	18.25	18.25	18.25

\* For the 2016, the Company incurred approximately \$33.6 million in deferred income tax expense based on its GAAP income measures. In addition, the Company would have incurred an additional approximately \$14 million of deferred income tax expense based on its non-GAAP income measures.

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

12 Months ended December 31

	2016	2015
GAAP Net Income (Loss)	\$75.23	(\$4.20)
Depreciation and Amortization expense	\$19.17	\$7.70
Interest & Other Expense (Income), net	\$3.25	(\$0.07)
Income Tax Expense (Benefit), net	\$41.74	(\$1.37)
Stock-based Compensation Expense	\$33.95	\$17.23
Contingent Consideration Charge	\$ --	\$46.09
Non-Recurring Expenses	\$1.08	\$17.22
<b>Adjusted EBITDA</b>	<b>\$174.41</b>	<b>\$82.59</b>
<b>Adjusted EBITDA Margin</b>	<b>47.9%</b>	<b>38.6%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$298.52	\$(1.82)	\$300.34
Customized Postage Gross Profit	2.77	(0.01)	2.77
<b>Total Gross Profit</b>	<b>301.33</b>	<b>(1.83)</b>	<b>303.16</b>
Mailing and Shipping Gross Margin	85.1%	(0.5%)	85.7%
Customized Postage Gross Margin	20.3%	(0.0%)	20.4%
<b>Total Gross Margin</b>	<b>82.7%</b>	<b>(0.5%)</b>	<b>83.2%</b>

# Fourth Quarter 2016 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization Expense	Income Tax Benefit (Expense)	Non-GAAP Amounts
Cost of Revenues	\$17.90	\$0.48	\$-	\$-	\$-	\$17.43
Research & Development	9.58	1.94	-	-	-	7.64
Sales & Marketing	19.12	1.87	-	-	-	17.25
General & Administrative	17.85	4.91	4.01	-	-	8.93
<b>Total Expenses</b>	<b>64.45</b>	<b>9.19</b>	<b>4.01</b>	<b>-</b>	<b>-</b>	<b>51.25</b>
Income (Loss) from Operations	41.44	(9.19)	(4.01)	-	-	54.64
Interest and Other Income (Loss)	(0.70)	-	-	(0.09)	-	(0.60)
Pre-Tax Income (Loss)	40.75	(9.19)	(4.01)	(0.09)	-	54.04
Benefit (Expense) for Income Taxes*	(11.72)	-	-	-	(6.90)	(4.82)
<b>Adjusted Income (Loss)</b>	<b>29.03</b>	<b>(9.19)</b>	<b>(4.01)</b>	<b>(0.09)</b>	<b>(6.90)</b>	<b>49.22</b>
<b>On a diluted per share basis</b>	<b>\$1.61</b>	<b>\$(0.51)</b>	<b>\$(0.22)</b>	<b>\$(0.01)</b>	<b>\$(0.38)</b>	<b>\$2.73</b>
Shares used in per share calculation	18.03	18.03	18.03	18.03	18.03	18.03

\* For the fourth quarter 2016, the Company incurred approximately \$6.9 million in deferred income tax expense based on its GAAP income measures. In addition, the Company would have incurred an additional approximately \$2 million of deferred income tax expense based on its non-GAAP income measures.

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

	Three Months ended Dec. 31	
	2016	2015
GAAP Net Income (Loss)	\$29.03	(\$0.07)
Depreciation and Amortization expense	\$5.23	\$2.53
Interest & Other Expense (Income), net	\$0.70	\$0.35
Income Tax Expense (Benefit), net	\$11.72	(\$1.28)
Stock-based Compensation Expense	\$9.19	\$8.12
Contingent Consideration Charge	\$ --	\$20.06
Non-Recurring Expenses	\$ --	\$0.47
<b>Adjusted EBITDA</b>	<b>\$55.87</b>	<b>\$30.18</b>
<b>Adjusted EBITDA Margin</b>	<b>52.8%</b>	<b>43.2%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$87.16	\$(0.48)	\$87.63
Customized Postage Gross Profit	0.83	(0.00)	0.83
<b>Total Gross Profit</b>	<b>87.99</b>	<b>(0.48)</b>	<b>88.47</b>
Mailing and Shipping Gross Margin	85.2%	(0.5%)	85.7%
Customized Postage Gross Margin	23.0%	(0.0%)	23.1%
<b>Total Gross Margin</b>	<b>83.1%</b>	<b>(0.5%)</b>	<b>83.5%</b>

# Third Quarter 2016 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization	Income Tax Benefit (Expense)	Non-GAAP Amounts
Cost of Revenues	\$16.73	\$0.48	\$-	\$-	\$-	\$16.25
Research & Development	9.11	1.92	-	-	-	7.19
Sales & Marketing	18.23	1.73	-	-	-	16.50
General & Administrative	16.90	4.70	3.99	-	-	8.22
<b>Total Expenses</b>	<b>60.97</b>	<b>8.82</b>	<b>3.99</b>	<b>-</b>	<b>-</b>	<b>48.16</b>
Income (Loss) from Operations	31.59	(8.82)	(3.99)	-	-	44.40
Interest and Other Income (Loss)	(0.80)	-	-	(0.09)	-	(0.71)
Pre-Tax Income (Loss)	30.79	(8.82)	(3.99)	(0.09)	-	43.69
Benefit (Expense) for Income Taxes*	(12.12)	-	-	-	(10.67)	(1.45)
<b>Adjusted Income (Loss)</b>	<b>18.67</b>	<b>(8.82)</b>	<b>(3.99)</b>	<b>(0.09)</b>	<b>(10.67)</b>	<b>42.25</b>
<b>On a diluted per share basis</b>	<b>\$1.03</b>	<b>\$(0.49)</b>	<b>\$(0.22)</b>	<b>\$(0.01)</b>	<b>\$(0.59)</b>	<b>\$2.33</b>
Shares used in per share calculation	18.12	18.12	18.12	18.12	18.12	18.12

\*For the third quarter 2016, the Company incurred approximately \$10.7 million in deferred income tax expense based on its GAAP income measures. In addition, the Company would have incurred an additional approximately \$5 million of deferred income tax expense based on its Non-GAAP income measures.

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

	Three Months ended Sept. 30	
	2016	2015
GAAP Net Income (Loss)	\$18.67	\$7.27
Depreciation and Amortization expense	\$5.14	\$1.64
Interest & Other Expense (Income), net	\$0.80	\$(0.05)
Income Tax Expense (Benefit), net	\$12.12	\$5.77
Stock-based Compensation Expense	\$8.82	\$3.06
Contingent Consideration Charge	\$ --	\$1.92
Non-Recurring Expenses	\$ --	\$1.75
<b>Adjusted EBITDA</b>	<b>\$45.56</b>	<b>\$21.36</b>
<b>Adjusted EBITDA Margin</b>	<b>49.2%</b>	<b>41.3%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$74.86	\$(0.47)	\$75.34
Customized Postage Gross Profit	\$0.96	\$(0.00)	\$0.96
<b>Total Gross Profit</b>	<b>\$75.83</b>	<b>\$(0.48)</b>	<b>\$76.31</b>
Mailing and Shipping Gross Margin	85.4%	(0.5%)	86.0%
Customized Postage Gross Margin	19.5%	(0.0%)	19.5%
<b>Total Gross Margin</b>	<b>81.9%</b>	<b>(0.5%)</b>	<b>82.4%</b>

# Second Quarter 2016 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Acquisition Related Expenses	Debt Amortization	Income Tax Benefit (Expense)	Non-GAAP Amounts
Cost of Revenues	\$13.72	\$0.45	\$ -	\$ -	\$ -	\$ -	\$13.27
Research & Development	8.13	1.42	-	-	-	-	6.71
Sales & Marketing	20.08	1.86	-	-	-	-	18.22
General & Administrative	17.11	4.68	3.24	0.52	-	-	8.67
<b>Total Expenses</b>	<b>59.05</b>	<b>8.42</b>	<b>3.24</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>46.87</b>
Income (Loss) from Operations	24.97	(8.42)	(3.24)	(0.52)	-	-	37.14
Interest and Other Income (Loss)	(0.87)	-	-	-	(0.09)	-	(0.78)
Pre-Tax Income (Loss)	24.09	(8.42)	(3.24)	(0.52)	(0.09)	-	36.36
Benefit (Expense) for Income Taxes*	(9.80)	-	-	-	-	(8.75)	(1.06)
<b>Adjusted Income (Loss)</b>	<b>14.29</b>	<b>(8.42)</b>	<b>(3.24)</b>	<b>(0.52)</b>	<b>(0.09)</b>	<b>(8.75)</b>	<b>35.30</b>
<b>On a diluted per share basis</b>	<b>\$0.79</b>	<b>\$(0.46)</b>	<b>\$(0.18)</b>	<b>\$(0.03)</b>	<b>\$(0.01)</b>	<b>\$(0.48)</b>	<b>\$1.94</b>
Shares used in per share calculation	18.19	18.19	18.19	18.19	18.19	18.19	18.19

\* For the second quarter 2016, the Company incurred approximately \$8.7 million in deferred income tax expense based on its GAAP income measures. In addition, the Company would have incurred an additional approximately \$5 million of deferred income tax expense based on its Non-GAAP income measures.

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

	Three Months ended June 30	
	2016	2015
GAAP Net Income (Loss)	\$14.29	(\$10.43)
Depreciation and Amortization expense	\$4.33	\$1.69
Interest & Other Expense (Income), net	\$0.87	(\$0.05)
Income Tax Expense (Benefit), net	\$9.80	(\$4.74)
Stock-based Compensation Expense	\$8.42	\$3.40
Contingent Consideration Charge	\$ --	\$13.60
Non-Recurring Expenses	\$0.52	\$14.24
<b>Adjusted EBITDA</b>	<b>\$38.24</b>	<b>\$17.72</b>
<b>Adjusted EBITDA Margin</b>	<b>45.5%</b>	<b>36.6%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$69.77	\$(0.45)	\$70.22
Customized Postage Gross Profit	\$0.51	\$(0.00)	\$0.51
<b>Total Gross Profit</b>	<b>\$70.29</b>	<b>\$(0.45)</b>	<b>\$70.74</b>
Mailing and Shipping Gross Margin	85.6%	(0.6%)	86.1%
Customized Postage Gross Margin	20.8%	(0.1%)	20.8%
<b>Total Gross Margin</b>	<b>83.7%</b>	<b>(0.5%)</b>	<b>84.2%</b>

# First Quarter 2016 GAAP to Non-GAAP Reconciliations



## Reconciliation of GAAP to Non-GAAP Financial Measures

All amounts in millions except per share or margin data

	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Non-Recurring Expenses	Debt Amortization	Income Tax Benefit (Expense)	Non-GAAP Amounts
Cost of Revenues	\$14.62	\$0.42	\$ -	\$ -	\$ -	\$ -	\$14.20
Research & Development	8.34	1.36	-	-	-	-	6.98
Sales & Marketing	21.40	1.73	-	-	-	-	19.67
General & Administrative	15.26	4.01	3.32	0.56	-	-	7.38
<b>Total Expenses</b>	<b>59.62</b>	<b>7.52</b>	<b>3.32</b>	<b>0.56</b>	<b>-</b>	<b>-</b>	<b>48.22</b>
Income (Loss) from Operations	22.22	(7.52)	(3.32)	(0.56)	-	-	33.61
Interest and Other Income (Loss)	(0.87)	-	-	-	(0.09)	-	(0.78)
Pre-Tax Income (Loss)	21.35	(7.52)	(3.32)	(0.56)	(0.09)	-	32.84
Benefit (Expense) for Income Taxes*	(8.11)	-	-	-	-	(7.31)	(0.80)
<b>Adjusted Income (Loss)</b>	<b>13.24</b>	<b>(7.52)</b>	<b>(3.32)</b>	<b>(0.56)</b>	<b>(0.09)</b>	<b>(7.31)</b>	<b>32.04</b>
<b>On a diluted per share basis</b>	<b>\$0.71</b>	<b>\$(0.40)</b>	<b>\$(0.18)</b>	<b>\$(0.03)</b>	<b>\$(0.01)</b>	<b>\$(0.39)</b>	<b>\$1.72</b>
Shares used in per share calculation	18.66	18.66	18.66	18.66	18.66	18.66	18.66

\* For the first quarter 2016, the Company incurred approximately \$7.3 million in deferred income tax expense based on its GAAP income measures. In addition, the Company would have incurred an additional approximately \$4 million of deferred income tax expense based on its Non-GAAP income measures.

## Reconciliation of GAAP Net Income to Adjusted EBITDA

All amounts in millions except margin data

	Three Months ended March 31	
	2016	2015
GAAP Net Income (Loss)	\$13.24	(\$0.97)
Depreciation and Amortization expense	\$4.46	\$1.84
Interest & Other Expense (Income), net	\$0.87	(\$0.32)
Income Tax Expense (Benefit), net	\$8.11	(\$1.12)
Stock-based Compensation Expense	\$7.52	\$2.64
Contingent Consideration Charge	\$ --	\$10.51
Non-Recurring Expenses	\$0.56	\$0.76
<b>Adjusted EBITDA</b>	<b>\$34.75</b>	<b>\$13.33</b>
<b>Adjusted EBITDA Margin</b>	<b>42.5%</b>	<b>30.3%</b>

## Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

All amounts in millions except margin data

	GAAP Amounts	Stock-Based Compensation Expense	Non-GAAP Amounts
Mailing and Shipping Gross Profit	\$66.73	\$(0.42)	\$67.15
Customized Postage Gross Profit	\$0.47	\$(0.00)	\$0.47
<b>Total Gross Profit</b>	<b>\$67.22</b>	<b>\$(0.42)</b>	<b>\$67.64</b>
Mailing and Shipping Gross Margin	84.3%	(0.5%)	84.8%
Customized Postage Gross Margin	17.8%	(0.0%)	17.9%
<b>Total Gross Margin</b>	<b>82.1%</b>	<b>(0.5%)</b>	<b>82.7%</b>