UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 28, 2009

BLACKBAUD, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)

000-50600 (Commission File Number) 11-2617163 (IRS Employer ID Number)

2000 Daniel Island Drive, Charleston, South Carolina 29492 (Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

(843) 216-6200

k the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following isions:
Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Item 2.02. Results of Operations and Financial Condition.

On October 28, 2009, Blackbaud, Inc. issued a press release reporting unaudited financial results for the quarter ended September 30, 2009. A copy of this press release is attached hereto as Exhibit 99.1.

The information in this Form 8-K (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No. Description

99.1 Press release dated October 28, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACKBAUD, INC.

Date: October 28, 2009

/s/ Timothy V. Williams

Timothy V. Williams,

Senior Vice President and Chief Financial Officer

Blackbaud, Inc. Announces Third Quarter 2009 Results

Announces Fourth Quarter 2009 Dividend

CHARLESTON, S.C. – October 28, 2009 – Blackbaud, Inc. (Nasdaq: BLKB), the leading provider of software and related services designed specifically for nonprofit organizations, today announced financial results for its third quarter ended September 30, 2009.

Marc Chardon, Chief Executive Officer of Blackbaud, stated, "We are very pleased with the company's better-than-expected financial results in the third quarter. We continue to see the largest nonprofit organizations moving forward with technology investments in order to optimize their fundraising activities in the current economic environment, while also driving operational enhancements that will benefit their organizations long-term. As a result, Blackbaud's enterprise sales efforts and the Blackbaud Enterprise CRM™ product offering continue to represent important drivers of our solid financial performance."

"While the market environment remains challenging, Blackbaud is making steady progress in strengthening its market position. We continue to expand our existing relationships and add to our customer base in the online fundraising segment of the market, and the company's already solid overall win rates continue to increase. These reasons, along with others, cause us to believe Blackbaud is well positioned for enhanced growth when the economy eventually improves."

On a GAAP basis, Blackbaud reported total revenue of \$79.2 million for the quarter ended September 30, 2009, a decrease of 1.1% compared with the third quarter of 2008. Income from operations and net income were \$13.9 million and \$9.8 million, respectively, compared with \$11.5 million and \$7.3 million, respectively, in the third quarter of 2008. Diluted earnings per share were \$0.22 for the quarter ended September 30, 2009, compared with \$0.17 in the same period last year.

For the quarter ended September 30, 2009, non-GAAP revenue, including a \$0.5 million revenue adjustment related to Kintera purchase accounting, was \$79.7 million, a decrease of 3.6% compared with non-GAAP revenues in the third quarter of 2008. Non-GAAP income from operations, which excludes stock-based compensation expense and amortization of intangibles arising from business combinations, was \$18.9 million, above the Company's guidance of \$15.5 to \$16.5 million and representing a non-GAAP operating margin of 23.8%. Non-GAAP operating income was \$19.2 million in the third quarter of 2008.

Non-GAAP net income was \$11.6 million for the quarter ended September 30, 2009, compared with \$11.4 million in the same period last year. Non-GAAP diluted earnings per share were \$0.26 for the quarter ended September 30, 2009, above the Company's guidance of \$0.22 to \$0.23 and compared to \$0.26 in the same period last year.

A reconciliation of GAAP to non-GAAP results has been provided in the financial statement tables included in this press release. An explanation of these measures is also included below under the heading "Non-GAAP Financial Measures."

The Company ended the quarter with \$22.2 million in cash, up from \$18.5 million at the end of the previous quarter. The company generated \$25.8 million in cash from operations during the third quarter, approximately \$23 million of which was used to reduce debt. The Company also used \$4.4 million for the quarterly payment of dividends to stockholders.

Timothy V. Williams, Chief Financial Officer of Blackbaud, stated, "The company's strong third quarter financial results were enhanced by a couple of large Blackbaud Enterprise CRM™ deals that closed and were recognized during the quarter. Revenue and profitability would have been above the high-end of our guidance even without these larger transactions, and the company's evolution to subscription-based offerings and recurring revenue continues to progress." Williams added, "We are pleased with the company's ability to execute at the highest level with respect to expense management. During the third quarter, our worldwide organization continued to identify incremental expense savings and to focus on how to improve the efficiency of our operations."

Fourth Quarter 2009 Dividend and Share Repurchase Program

Blackbaud announced today that its Board of Directors has declared a fourth quarter dividend of \$0.10 per share payable on December 15, 2009 to stockholders of record on November 27, 2009. Additionally, as of September 30, the Company had approximately \$30 million remaining under its common stock share repurchase program that was authorized over a year ago.

Conference Call Details

Blackbaud will host a conference call today, October 28, 2009, at 5:00 p.m. (Eastern Time) to discuss the Company's financial results, operations and related matters. To access this call, dial 800-575-5790 (domestic) or 719-325-2392 (international). A replay of this conference call will be available through November 4, 2009, at 888-203-1112 (domestic) or 719-457-0820 (international). The replay passcode is 4454356. A live webcast of this conference call will be available on the "Investor Relations" page of the Company's website at www.blackbaud.com/investorrelations, and a replay will be archived on the website as well.

About Blackbaud

Blackbaud is the leading global provider of software and services designed specifically for nonprofit organizations, enabling them to improve operational efficiency, build strong relationships, and raise more money to support their missions. Approximately 22,000 organizations — including University of Arizona Foundation, American Red Cross, Cancer Research UK, The Taft School, Lincoln Center, In Touch Ministries, Tulsa

Community Foundation, Ursinus College, Earthjustice, International Fund for Animal Welfare, and the WGBH Educational Foundation — use one or more Blackbaud products and services for fundraising, constituent relationship management, financial management, website management, direct marketing, education administration, ticketing, business intelligence, prospect research, consulting, and analytics. Since 1981, Blackbaud's sole focus and expertise has been partnering with nonprofits and providing them the solutions they need to make a difference in their local communities and worldwide. Headquartered in the United States, Blackbaud also has operations in Australia, Canada, the Netherlands, and the United Kingdom. For more information, visit www.blackbaud.com.

All Blackbaud product names appearing herein are trademarks or registered trademarks of Blackbaud, Inc.

Forward-looking Statements

Except for historical information, all of the statements, expectations, and assumptions contained in this news release are forward-looking statements that involve a number of risks and uncertainties. Although Blackbaud attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. In addition, other important factors that could cause results to differ materially include the following: general economic risks; uncertainty regarding increased business and renewals from existing customers; continued success in sales growth; management of integration of acquired companies and other risks associated with acquisitions; risks associated with successful implementation of multiple integrated software products; the ability to attract and retain key personnel; risks related to our dividend policy and share repurchase program, including potential limitations on our ability to grow and the possibility that we might discontinue payment of dividends; risks relating to restrictions imposed by the credit facility; risks associated with management of growth; lengthy sales and implementation cycles, particularly in larger organizations; technological changes that make our products and services less competitive; and the other risk factors set forth from time to time in the SEC filings for Blackbaud, copies of which are available free of charge at the SEC's website at www.sec.gov or upon request from Blackbaud's investor relations department.

Non-GAAP Financial Measures

Blackbaud has provided in this release financial information that has not been prepared in accordance with GAAP. This information includes non-GAAP revenue, non-GAAP income from operations and margin, non-GAAP net income and non-GAAP diluted earnings per share. Blackbaud uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating Blackbaud's ongoing operational performance. Blackbaud believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial results with other companies in Blackbaud's industry, many of which present similar non-GAAP financial measures to investors. As noted, the non-GAAP financial results discussed above exclude stock-based compensation expense and costs associated with amortization of intangibles arising from business combinations and include revenue associated with the Kintera acquisition that is not recognizable under GAAP purchase accounting.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measure below. As previously mentioned, a reconciliation of our non-GAAP financial measures to their most directly comparable GAAP measures has been provided in the financial statement tables included below in this press release.

Investor Contact:

Tim Dolan ICR <u>timothy.dolan@icrinc.com</u> 617-956-6727

Media Contact:

Melanie MathosBlackbaud, Inc.
melanie.mathos@blackbaud.com
843-216-6200 x3307

SOURCE: Blackbaud, Inc.

Blackbaud, Inc. Consolidated balance sheets (Unaudited)

(in thousands, except share amounts)	September 30, 2009	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 22,238	\$ 16,361
Donor restricted cash	16,493	12,363
Accounts receivable, net of allowance of \$2,911 and \$2,777 at September 30, 2009 and December 31, 2008,		
respectively	51,266	52,554
Prepaid expenses and other current assets	21,978	17,281
Deferred tax asset, current portion	6,745	6,858
Total current assets	118,720	105,417
Property and equipment, net	19,287	21,384
Deferred tax asset	61,096	64,762
Goodwill	74,208	73,615
Intangible assets, net	43,815	48,171
Other assets	530	537
Total assets	\$ 317,656	\$ 313,886
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	\$ 7,085	\$ 7,023
Accrued expenses and other current liabilities	26,371	21,758
Donations payable	16,493	12,363
Capital lease obligations, current portion	230	384
Debt, current portion	18,642	60,049
Deferred revenue	128,168	113,802
Total current liabilities	196,989	215,379
Capital lease obligations, noncurrent	57	203
Long-term debt, net of current portion	420	1,288
Deferred revenue, noncurrent	5,449	5,838
Other noncurrent liabilities	1,386	670
Total liabilities	204,301	223,378
Commitments and contingencies		
Stockholders' equity:		
Preferred stock; 20,000,000 shares authorized, none outstanding	_	_
Common stock, \$0.001 par value; 180,000,000 shares authorized, 51,683,679 and 51,269,081 shares issued at		
September 30, 2009 and December 31, 2008, respectively	52	51
Additional paid-in capital	132,324	116,846
Treasury stock, at cost; 7,536,337 and 7,494,466 shares at September 30, 2009 and December 31, 2008, respectively	(131,265)	(130,594)
Accumulated other comprehensive loss	(164)	(899)
Retained earnings	112,408	105,104
Total stockholders' equity	113,355	90,508
Total liabilities and stockholders' equity	\$ 317,656	\$ 313,886

Page 1 of 4

Blackbaud, Inc. Consolidated statements of operations (Unaudited)

Revenue			Three months	ended Se	ptember 30,				led September 30,	
License fees	(in thousands, except share and per share amounts)		2009		2008		2009		2008	
Services 22.818 2.70% 66.412 75.988 Maintenance 29.742 27.411 86.574 79.212 Subscriptions 19.190 15.547 53.686 33.342 Other revenue 79.205 80.098 23.061 222.036 Total revenue 79.205 80.098 23.061 222.036 Cost of ferevenue 987 1,011 2,871 2,660 Cost of services 15,699 16,033 46,090 47,301 Cost of services 15,699 16,033 16,098 44,361 Cost of services 15,699 16,033 16,098 44,362 Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of services 30,341 31,306 19,315 58,481 Total operating expenses 8 5,363 16,686 46,965 45,241 Total operating expenses 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>										
Maintenance 29,422 27,411 86,574 79,212 Subscriptions 19,190 15,547 53,686 33,342 Other revenue 1,536 1,965 4,566 16,157 Total revenue		\$		\$		\$		\$		
Subscriptions 19,190 15,547 53,686 33,342 Other revenue 1,536 1,965 4,566 6,157 Total revenue 79,205 80,098 23,361 222,036 Cost of revenue Use of revenue Cost of license fees 987 1,011 2,871 2,660 Cost of services 15,269 16,703 46,909 47,301 Cost of subscriptions 7,462 6,259 21,240 13,738 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Cross profit 48,664 48,792 139,406 137,833 Cross profit 48,664 48,792 139,406 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 4,759 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,48										
Other revenue 1,536 1,965 4,566 6,157 Total revenue 79,205 80,098 23,0361 222,036 Cost of revenue 8 1,011 2,871 2,660 Cost of license fees 987 1,011 2,871 2,660 Cost of services 15,269 16,703 46,990 47,301 Cost of subscriptions 7,462 6,259 21,214 13,739 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 13,046 13,783 Gross profit 15,778 16,686 46,965 47,597 Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,588 34,151 27,977 General and administrative 7,420 9,848 24,872 2,487 Amortization 31,383 11,500 32,486 </td <td>Maintenance</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Maintenance									
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Cost of revenue 987 1,011 2,871 2,660 Cost of services 15,269 16,703 46,990 47,301 Cost of services 5,498 5,363 16,078 14,662 Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 Research and development 11,389 10,568 34,151 27,977 Research and development 11,389 10,568 34,151 27,977 Research and development 13,883 13,7292 106,560 100,485 Income texpenses 1,81 1,90 37,292 10,560	Other revenue		1,536		1,965		4,566		6,157	
Cost of license fees 987 1,011 2,871 2,660 Cost of services 15,269 16,703 46,990 47,301 Cost of maintenance 5,498 5,363 16,078 14,662 Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of other revenue 30,541 31,306 91,315 84,203 Cost of other revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,666 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 23,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,88 11,500 32,486 37,348	Total revenue		79,205		80,098		230,361		222,036	
Cost of services 15,269 16,703 46,990 47,301 Cost of maintenance 5,498 5,363 16,078 14,662 Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,333 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 31,881 31,500 32,486 37,348 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other in	Cost of revenue									
Cost of maintenance 5,498 5,363 16,078 14,662 Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (870) 6211 Other incom	Cost of license fees		987		1,011		2,871		2,660	
Cost of subscriptions 7,462 6,259 21,240 13,739 Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses 3 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 3 2 19 13 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes </td <td>Cost of services</td> <td></td> <td>15,269</td> <td></td> <td>16,703</td> <td></td> <td>46,990</td> <td></td> <td>47,301</td>	Cost of services		15,269		16,703		46,990		47,301	
Cost of other revenue 1,325 1,970 4,136 5,841 Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 31,381 37,292 100,560 100,485 Income from operations 31,383 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (870) (821) Other income (expense), net 226 152 96 (192) Income before provision for income taxs 3,307 3,07 3,07 3,07 3,07	Cost of maintenance		5,498		5,363		16,078		14,662	
Total cost of revenue 30,541 31,306 91,315 84,203 Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Amortization gexpenses 34,781 37,292 106,560 100,485 Income from operating expenses 34,781 37,292 105,500 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest expense (181) (603) (876) (821) Interest expense, net 226 (152) 96 (192) Income tax provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407	Cost of subscriptions		7,462		6,259		21,240		13,739	
Gross profit 48,664 48,792 139,046 137,833 Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$9,828 7,316 \$20,488 23,346 Earnings p	Cost of other revenue		1,325		1,970		4,136		5,841	
Operating expenses Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 \$ 23,346 Earnings per share \$ 0,23 \$ 0,17 \$ 0,48 0,54 Diluted <t< td=""><td>Total cost of revenue</td><td></td><td>30,541</td><td></td><td>31,306</td><td></td><td>91,315</td><td></td><td>84,203</td></t<>	Total cost of revenue		30,541		31,306		91,315		84,203	
Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$9,828 7,316 \$20,488 \$23,346 Earnings per share \$0,23 \$0,17 \$0,48 \$0,54 Diluted \$0,22 \$0,17	Gross profit		48,664		48,792		139,046		137,833	
Sales and marketing 15,778 16,686 46,965 47,597 Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$9,828 7,316 \$20,488 \$23,346 Earnings per share \$0,23 \$0,17 \$0,48 \$0,54 Diluted \$0,22 \$0,17	Operating expenses									
Research and development 11,389 10,568 34,151 27,977 General and administrative 7,420 9,848 24,872 24,387 Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$9,828 7,316 20,488 23,346 Earnings per share \$0,23 0.17 0.48 0.54 Diluted \$0,22 0.17 0.47 0.53 Common shares and equivalents outstanding 24,668,276 4			15,778		16,686		46,965		47,597	
Amortization 194 190 572 524 Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 20,488 23,346 Earnings per share \$	_		11,389		10,568		34,151		27,977	
Total operating expenses 34,781 37,292 106,560 100,485 Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 23,346 Earnings per share \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.48 \$ 0.54 Common shares and equivalents outstanding \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859 <td>General and administrative</td> <td></td> <td>7,420</td> <td></td> <td>9,848</td> <td></td> <td>24,872</td> <td></td> <td>24,387</td>	General and administrative		7,420		9,848		24,872		24,387	
Income from operations 13,883 11,500 32,486 37,348 Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 \$ 23,346 Earnings per share \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.48 \$ 0.54 Common shares and equivalents outstanding \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Amortization		194		190		572		524	
Interest income 32 219 131 418 Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 \$ 23,346 Earnings per share \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Total operating expenses		34,781	' <u>-</u>	37,292		106,560		100,485	
Interest expense (181) (603) (876) (821) Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23,346 Earnings per share \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.48 \$ 0.54 Common shares and equivalents outstanding \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding \$ 0.24 \$ 0.25 \$ 0.27 \$ 0.47 \$ 0.53 Diluted weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Income from operations		13,883	· <u></u>	11,500	· · · ·	32,486		37,348	
Other income (expense), net 226 (152) 96 (192) Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 \$ 23,346 Earnings per share Basic \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Interest income		32		219		131		418	
Income before provision for income taxes 13,960 10,964 31,837 36,753 Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 7,316 \$ 20,488 \$ 23,346 Earnings per share S 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Interest expense		(181)		(603)		(876)		(821)	
Income tax provision 4,132 3,648 11,349 13,407 Net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23,346 Earnings per share Basic \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Other income (expense), net		226		(152)		96		(192)	
Net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23,346 Earnings per share Basic \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Income before provision for income taxes		13,960		10,964		31,837		36,753	
Earnings per share Basic \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Income tax provision		4,132		3,648		11,349		13,407	
Basic \$ 0.23 \$ 0.17 \$ 0.48 \$ 0.54 Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Net income	\$	9,828	\$	7,316	\$	20,488	\$	23,346	
Diluted \$ 0.22 \$ 0.17 \$ 0.47 \$ 0.53 Common shares and equivalents outstanding 8 2,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Earnings per share									
Common shares and equivalents outstanding Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Basic	\$	0.23	\$	0.17	\$	0.48	\$	0.54	
Basic weighted average shares 42,781,072 42,668,276 42,805,498 43,112,209 Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859	Diluted	\$	0.22	\$	0.17	\$	0.47	\$	0.53	
Diluted weighted average shares 43,826,550 43,409,941 43,493,362 43,889,859										
		42	42,781,072 42,668,276		42,805,498					
Dividends per share \$ 0.10 \$ 0.30 \$ 0.30		43	3,826,550	43	3,409,941	43	3,493,362	43	3,889,859	
	Dividends per share	\$	0.10	\$	0.10	\$	0.30	\$	0.30	

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Blackbaud, Inc. Consolidated statements of cash flows (Unaudited)

	Nine months	ended September 30,
(in thousands)	2009	2008
Cash flows from operating activities		
Net income	\$ 20,488	\$ 23,346
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,563	9,099
Provision for doubtful accounts and sales returns	2,082	4,018
Stock-based compensation expense	9,062	7,912
Excess tax benefit on exercise of stock options	(4,806)	
Deferred taxes	5,896	1,837
Other non-cash adjustments	94	80
Changes in assets and liabilities, net of acquisition of businesses:		
Accounts receivable	1,389	(12,516)
Prepaid expenses and other assets	447	(1,020)
Trade accounts payable	(198)	904
Accrued expenses and other current liabilities	2,625	(5,459)
Donor restricted cash	(4,129)	\ ' \ /
Donations payable	4,129	6,343
Deferred revenue	11,713	19,963
Net cash provided by operating activities	60,355	47,996
Cook flows from investing activities		
Cash flows from investing activities	(2.965)	(F F77)
Purchase of property and equipment Purchase of net assets of acquired companies, net of cash acquired	(3,865)	
· · ·	(2,258)	(49,927)
Net cash used in investing activities	(6,123)	(55,504)
Cash flows from financing activities		
Proceeds from issuance of debt	_	86,000
Proceeds from exercise of stock options	2,127	696
Excess tax benefit on exercise of stock options	4,806	168
Payments on debt	(42,275)	(27,283)
Payments of deferred financing fees		(47)
Payments on capital lease obligations	(300)	(427)
Purchase of treasury stock	<u>`</u>	(40,338)
Dividend payments to stockholders	(13,206)	(13,196)
Net cash (used in) provided by financing activities	(48,848)	5,573
Effect of exchange rate on cash and cash equivalents	493	(537)
Net increase (decrease) in cash and cash equivalents	5,877	(2,472)
Cash and cash equivalents, beginning of period	16,361	14,775
Cash and cash equivalents, end of period	\$ 22,238	\$ 12,303
		

Blackbaud, Inc. Reconciliation of GAAP to Non-GAAP financial measures (Unaudited)

Name	AAP revenue \$79,20 on-GAAP adjustments: Add back: Kintera deferred revenue writedown 45 Total Non-GAAP adjustments 579,65 on-GAAP gross profit \$48,66 on-GAAP adjustments: Add back: Sintera deferred revenue writedown 45, add back: Sintera deferred revenue writedown 45, add back: Stock-based compensation expense (see table below) 68 Add back: Amortization of intangibles from business combinations (see table below) 75, and add back: Amortization of intangibles from business combinations (see table below) 75, and add back: Amortization of intangibles from business combinations (see table below) 75, and 76,	205	\$			2009		
Non-GAAP adjustments: 452 2,555 2,493 2 Total Non-GAAP adjustments 452 2,555 2,493 2 Non-GAAP revenue \$ 9,9657 \$ 8,263 \$ 23,2854 \$ 2,286 GAAP gross profit \$ 4,864 \$ 4,869 \$ 1,305 \$ 2,243 \$ 2,246 GAAP gross profit \$ 4,864 \$ 4,875 \$ 2,403 \$ 2,255 \$ 2,403 \$ 2,244 \$ 2,244 \$ 2,244 <th>### Add back: Kintera deferred revenue writedown ### Add prevenue writedown ### Add back: Kintera deferred revenue writedown ### Add back: Stock-based compensation expense (see table below) ### Add back: Stock-based compensation expense (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### AAP income from operations ### AAP income from operations ### AAP income from operations ### Add back: Kintera deferred revenue writedown ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### AAP net income ### Add back: Amortization of intangibles from business combinations ### Add back: Amortization of intangibles from business combinations ### Add back: Amortization of intangibles from business combinations ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to</th> <th></th> <th>Ф</th> <th></th> <th>· ·</th> <th>220.261</th> <th>¢</th> <th>2008 222,036</th>	### Add back: Kintera deferred revenue writedown ### Add prevenue writedown ### Add back: Kintera deferred revenue writedown ### Add back: Stock-based compensation expense (see table below) ### Add back: Stock-based compensation expense (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### AAP income from operations ### AAP income from operations ### AAP income from operations ### Add back: Kintera deferred revenue writedown ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### AAP net income ### Add back: Amortization of intangibles from business combinations ### Add back: Amortization of intangibles from business combinations ### Add back: Amortization of intangibles from business combinations ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to		Ф		· ·	220.261	¢	2008 222,036
Adil back: Kimiera deferred revenue writedown	Add back: Kintera deferred revenue writedown 45 Total Non-GAAP adjustments 45 AAP gross profit \$ 48,66 on-GAAP adjustments: 45 Add back: Kintera deferred revenue writedown 45 Add back: Stock-based compensation expense (see table below) 45 Add back: Amortization of intangibles from business combinations (see table below) 1,58 Total Non-GAAP adjustments 2,72 on-GAAP gross profit \$ 51,38 on-GAAP gross profit 5 13,38 on-GAAP gross margin 6 AAP income from operations 5 13,38 on-GAAP adjustments 2,81 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$ 18,92 on-GAAP income from operations \$ 18,92 on-GAAP adjustments 5 AAP net income \$ 1,59 on-GAAP adjustments <td< td=""><td>.52</td><td></td><td>60,096</td><td>Ф</td><td>230,301</td><td>Ф</td><td>222,030</td></td<>	.52		60,096	Ф	230,301	Ф	222,030
Total Non-GAAP adjustments	Total Non-GAAP adjustments	¹ 52						
Non-GAP revenue	AAP gross profit \$ 48,66			2,555	_	2,493	_	2,555
Sabbasis	APP gross profit on-GAAP adjustments: Add back: Stock-based compensation expense (see table below) Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) 1, 158 Total Non-GAAP adjustments 7, 2, 72 Total Non-GAAP gross profit APP income from operations AAP income from operations Add back: Stock-based compensation expense (see table below) AAP income from operations AAP income from operations Add back: Stock-based compensation expense (see table below) Add back: Mintera deferred revenue writedown Add back: Stock-based compensation expense (see table below) 1, 77 Total Non-GAAP adjustments 5, 04 Add back: Amortization of intangibles from business combinations (see table below) 1, 77 Total Non-GAAP adjustments 5, 04 AAP net income 5, 18, 22 on-GAAP operating margin AAP net income 5, 04 Add back: Tax impact related to Non-GAAP adjustments Add back: Tax impact related to Non-GAAP adjustments Cost of services 5, 0.2 etail of Non-GAAP adjustments: Cost of services Cost of services Cost of services Cost of services Sales and marketing Research and development General and administrative 9, 09 Subtotal Total stock-based compensation expense Cost of revenue Cost of revenue Cost of revenue Cost of ilcense fees \$, 2, 81 Amortization of intangibles from business combinations: Cost of revenue Cost of revenue Cost of revenue Cost of services Cost of maintenance Cost of other revenue 1, 10 1,	52		2,555		2,493		2,555
Non-GAP adjustments: Add back: Kintera deferred revenue writedown 452 2,555 2,493 2,515 3,4736 3,1731 3,1735	### Add back: Kintera deferred revenue writedown ### Add back: Stock-based compensation expense (see table below) ### Add back: Stock-based compensation expense (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### AAP adjustments ### AAP gross margin ### AAP income from operations ### AAP income from operations ### Add back: Kintera deferred revenue writedown ### Add back: Stock-based compensation expense (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Amortization of intangibles from business combinations (see table below) ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GAAP adjustments ### Add back: Tax impact related to Non-GA	557	\$	82,653	\$	232,854	\$	224,591
Add back: Kintera deferend revenue writedown 452 2,555 2,493 2 2 2 2 2 2 2 2 2	Add back: Kintera deferred revenue writedown 45 Add back: Stock-based compensation expense (see table below) 68 Add back: Amortization of intangibles from business combinations (see table below) 1,58 Total Non-GAAP adjustments 2,72 on-GAAP gross profit \$ 51,38 on-GAAP adjustments 6 AAP income from operations \$ 13,88 on-GAAP adjustments: 45 Add back: Kintera deferred revenue writedown 45 Add back: Amortization of intangibles from business combinations (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 2,81 AF presenting ment 2 AAP net income \$ 8,92 On-GAAP adjustments 5,04 Add back: Tax impact related to Non-GAAP adjustments 3,22 And back: Tax impact related to Non-GAAP adjustments 3,22 St	664	\$	48,792	\$	139,046	\$	137,833
Add back: Stock-based compensation expense (see table below) 1.583 1.735 4.736 3.758	Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) Total Non-GAAP adjustments On-GAAP gross profit AAP income from operations On-GAAP adjustments: AdA back: Kintera deferred revenue writedown Add back: Kintera deferred revenue writedown Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) Add back: Amortization of intangibles from business combinations (see table below) Total Non-GAAP adjustments On-GAAP income from operations AAP net income On-GAAP adjustments AdA back: Total Non-GAAP adjustments affecting income from operations AAP net income On-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments affecting income from operations On-GAAP net income Income from operations On-GAAP adjustments: Stock-based compensation expense: Cost of sevices Cost of sevices Cost of sevices Sales and marketing AREsearch and development Total stock-based compensation expense Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of maintenance Cost of intangibles from business combinations: Cost of maintenance Cost of intangibles from business combinations: Cost of maintenance Cost of intangibles from business combinations: Cost of maintenance Cost of maintenance Cost of intangibles from business combinations: Cost of maintenance Cost of maintenance Cost of maintenance Cost of other revenue Anortization of intangibles from business combinations: Cost of other revenue							
Add back: Amortization of intangibles from business combinations (see table below) 1,583 1,735 4,736 9,198 7 7 7 7 7 7 7 7 7	Add back: Amortization of intangibles from business combinations (see table below) 1,58 Total Non-GAAP adjustments 2,72 on-GAAP gross profit 5,138 on-GAAP gross margin AAP income from operations On-GAAP adjustments: Add back: Kintera deferred revenue writedown Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) Add back: Amortization of intangibles from business combinations (see table below) Total Non-GAAP adjustments On-GAAP income from operations AAP net income S 18,92 On-GAAP operating margin AAP net income S 18,92 On-GAAP adjustments Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments On-GAAP ent income S 11,59 Area used in computing Non-GAAP adjustments S 10,20 Cost of services Cost of services Cost of services S 33 Cost of maintenance Cost of subscriptions Subtotal ARR essearch and development Total stock-based compensation expense Subtotal ARR essearch and development Total stock-based compensation expense Cost of intangibles from business combinations: Cost of revenue Cost of revenue Cost of revenue Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of revenue Cost of intangibles from business combinations: Cost of maintenance Cost of intense fees S 9 Cost of maintenance Cost of intense fees S 9 Cost of maintenance Cost of intense fees S 9 Cost of maintenance Cost of maintenance Cost of intense fees Cost of maintenance Cost of maintenance Cost of intense fees Cost of maintenance Cost of fuerouse	52				2,493		2,555
Pellow 1,583 1,735 4,736 3 7 7 7 7 7 7 7 7 7	Deblow 1,58 Total Non-GAAP adjustments 2,72 On-GAAP gross profit \$ 51,38 On-GAAP gross margin 6 AAP income from operations \$ 13,88 On-GAAP adjustments:	85		566		1,969		1,534
Total Non-GAAP adjustments	Total Non-GAAP adjustments 2,72 on-GAAP gross profit \$ 51,38 on-GAAP gross margin 6 AAP income from operations \$ 13,88 on-GAAP adjustments: 45 Add back: Kintera deferred revenue writedown 45 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$ 18,92 on-GAAP operating margin 2 AAP net income \$ 9,82 on-GAAP adjustments: 3,28 Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Total Non-GAAP adjustments on-GAAP adjustments (3,28 on-GAAP net income \$ 11,59 nares used in computing Non-GAAP diluted earnings per share \$ 0,2 etail of Non-GAAP adjustments: \$ 0,2 cots of services \$ 33 Cost of subscriptions 12 cost of subscriptions 12 Subtotal 6 Opperating expenses 3 Sales and marketing 42	i83		1.735		4.736		3,541
Non-GAAP gross profit 5 1,384 5 1,364 1 48,244 2 1 45 Non-GAAP gross margin 65% 65% 64% 2 3 GAAP income from operations 1 3,883 1 1,500 3 2,466 3 3 Non-GAAP adjustments 45 2,555 2,493 2 Add back: Kintera deferred revenue writedown 4,817 3,234 9,062 2 Add back: Amortization of intangibles from business combinations (see table below) 1,777 1,925 5,308 4 Afford Non-GAAP adjustments 5,046 7,714 16,663 14 Non-GAAP income from operations 5,046 7,714 16,663 14 Non-GAAP operating margin 24% 23% 20.48 23 GAAP net income 5,9,828 7,316 20,488 23 Non-GAAP adjustments affecting income from operations 5,046 7,714 16,663 14 Add back: Toxial Non-GAAP adjustments 5,046 7,714 16,663 4 4 Shares used in computing Non-GAAP adjustments 3,23	on-GAAP gross margin 6 AAP income from operations \$ 13,88 on-GAAP adjustments: 45 Add back: Kintera deferred revenue writedown 45 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$ 18,92 on-GAAP operating margin 2 AAP net income \$ 9,82 on-GAAP adjustments: 5,04 Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Total Non-GAAP adjustments affecting income from operations 5,04 on-GAAP adjustments: 3,228 on-GAAP net income \$ 11,59 nares used in computing Non-GAAP adjustments \$ 0,2 etail of Non-GAAP adjustments: \$ 0,2 tock-based compensation expense: \$ 0,2 Cost of services \$ 33 Cost of services \$ 33 Cost of services \$ 33 Sales and marketing 42 Researc	_	_				_	7,630
Non-GAAP gross margin 65% 65% 64% GAAP income from operations \$ 13,883 \$ 11,500 \$ 32,486 \$ 33 Non-GAAP adjustments: ************************************	AAP income from operations S 13,88		\$		\$		\$	145,463
Sample S	AAP income from operations on-GAAP adjustments: Add back: Kintera deferred revenue writedown Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) Total Non-GAAP adjustments on-GAAP income from operations AAP net income AAP net income Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments Add back: Tax impact related to Non-GAAP adjustments Add back: Tax impact related to Non-GAAP adjustments on-GAAP net income \$ 11,59 on-GAAP net income \$ 11,59 on-GAAP adjustments: Add back: Tax impact related to Non-GAAP adjustments on-GAAP adjustments Stock-based compensation expense: Cost of services Cost of services Sales and marketing AC ost of subscriptions Sales and marketing AC executed and administrative General and administrative General and administrative Subtotal Amortization of intangibles from business combinations: Cost of services Sales of revenue Cost of services Sales of revenue Cost of subscriptions Subtotal Amortization of intangibles from business combinations: Cost of services Sales of subscriptions Amortization of intangibles from business combinations: Cost of subscriptions Cost of services Sales of services Sales of subscriptions Amortization of intangibles from business combinations: Cost of subscriptions Cost of other revenue		Ψ		Ψ		<u>Ψ</u>	
Non-GAAP adjustments: Add back: Kintera deferred revenue writedown 2,817 2,555 2,493 2,240	on-GAAP adjustments: 45 Add back: Kintera deferred revenue writedown 45 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$ 18,92 on-GAAP operating margin 2 AAP net income \$ 9,82 on-GAAP adjustments: 3,24 Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments (3,28 on-GAAP net income \$ 11,59 nares used in computing Non-GAAP diluted earnings per share \$ 3,82 on-GAAP diluted earnings per share \$ 0,2 etail of Non-GAAP adjustments: 5 Stock-based compensation expense: 5 Cost of services \$ 33 Cost of subscriptions 12 Subtotal 66 Operating expenses 8 Sales and marketing 42 Research and development 71 General and admi	_	_		_		_	65
Add back: Kintera deferred revenue writedown 452 2,555 2,493 2 Add back: Shork-based compensation expense (see table below) 2,817 3,234 9,062 7 Add back: Amortization of intangibles from business combinations (see table below) 1,777 1,925 5,308 4 Total Non-GAAP adjustments 5,046 7,714 16,863 14 Non-GAAP income from operations \$ 18,929 \$ 19,214 \$ 49,349 \$ 51 Non-GAAP operating margin 24% 23% 21% 23 CAAP net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments 5,046 7,714 16,863 14 Add back: Tax impact related to Non-GAAP adjustments 3,280 3,636 7,644 16 Non-GAAP net income \$ 11,594 \$ 11,394 \$ 29,707 \$ 31 Shares used in computing Non-GAAP adjustments \$ 2,26 \$ 0.68 \$ 34,493 44 Non-GAAP adjustments: \$ 2,26 \$ 0.68 \$ 0.68 \$ 0.68 \$ 0.68 \$ 0.68 \$ 0.68 </td <td>Add back: Kintera deferred revenue writedown 2,81 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$18,92 on-GAAP operating margin 2 AAP net income \$9,82 on-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments (3,28) on-GAAP net income \$11,59 thares used in computing Non-GAAP adjustments (3,28) on-GAAP net income \$11,59 thares used in computing Non-GAAP diluted earnings per share \$3,82 on-GAAP diluted earnings per share \$0,2 etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$3,33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 63 Operating expenses Sales and marketing 42 Research and development 73 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of services 33 Cost of revenue Cost of services 99 Cost of subscriptions 80 Cost of subscriptions 80 Cost of subscriptions 80 Cost of other revenue 11</td> <td>183</td> <td>\$</td> <td>11,500</td> <td>\$</td> <td>32,486</td> <td>\$</td> <td>37,348</td>	Add back: Kintera deferred revenue writedown 2,81 Add back: Stock-based compensation expense (see table below) 2,81 Add back: Amortization of intangibles from business combinations (see table below) 1,77 Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$18,92 on-GAAP operating margin 2 AAP net income \$9,82 on-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments (3,28) on-GAAP net income \$11,59 thares used in computing Non-GAAP adjustments (3,28) on-GAAP net income \$11,59 thares used in computing Non-GAAP diluted earnings per share \$3,82 on-GAAP diluted earnings per share \$0,2 etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$3,33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 63 Operating expenses Sales and marketing 42 Research and development 73 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of services 33 Cost of revenue Cost of services 99 Cost of subscriptions 80 Cost of subscriptions 80 Cost of subscriptions 80 Cost of other revenue 11	183	\$	11,500	\$	32,486	\$	37,348
Add back: Stock-based compensation expense (see table below) 2,817 3,234 9,062 7 Add back: Amortization of intangibles from business combinations (see table below) 1,777 1,925 5,308 4 Total Non-GAAP adjustments 5,046 7,714 16,863 14 Non-GAAP income from operations \$ 18,929 \$ 19,214 \$ 49,349 \$ 51 Non-GAAP operating margin 24% 23% 21% 20,488 \$ 23 Non-GAAP adjustments \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments \$ 3,826 \$ 7,714 16,863 14 4 3dd back: Total Non-GAAP adjustments affecting income from operations \$ 5,046 7,714 16,863 14 4 3dd back: Total Non-GAAP adjustments \$ 2,9707 \$ 31 33 \$ 2,9707 \$ 31 \$ 31 \$ 2,9707 \$ 31 \$ 34 \$ 2,9707 \$ 31 \$ 2,9707 \$ 31 \$	Add back: Stock-based compensation expense (see table below) Add back: Amortization of intangibles from business combinations (see table below) Total Non-GAAP adjustments Total Non-GAAP adjustments Son-GAAP income from operations Son-GAAP operating margin AAP net income Son-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments affecting income from operations Add back: Total Non-GAAP adjustments Add back: Total Non-GAAP adjustments Add back: Total Non-GAAP adjustments Son-GAAP net income Son-GAAP net income Son-GAAP adjustments: Stock-based compensation expense: Cost of Non-GAAP adjustments: Stock-based compensation expense: Cost of services Cost of services Cost of subscriptions Soles and marketing Research and development General and administrative Subtotal Amortization of intangibles from business combinations: Cost of revenue Cost of services Subtotal Cost of intangibles from business combinations: Cost of revenue Cost of services Soubtotal Amortization of intangibles from business combinations: Cost of services Cost of services Cost of services Cost of services Cost of subscriptions Cost of subscriptions Cost of subscriptions Cost of subscriptions Roct of subscriptions Cost of subscriptions Cost of subscriptions Cost of subscriptions Cost of maintenance Cost of subscriptions Cost of other revenue Cost of other revenue Cost of other revenue							
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Delow 1,777 1,925 5,308 4 4 4 4 1 4 6 6 5 4 4 4 4 6 6 6 6 6 6	Delow 1,777 Total Non-GAAP adjustments 5,04	17		3,234		9,062		7,912
Total Non-GAAP adjustments	Total Non-GAAP adjustments 5,04 on-GAAP income from operations \$ 18,92 on-GAAP operating margin 2 AAP net income \$ 9,82 on-GAAP adjustments: 3,04 Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments 3,28 on-GAAP net income \$ 11,59 hares used in computing Non-GAAP diluted earnings per share 43,82 on-GAAP diluted earnings per share \$ 0,2 etail of Non-GAAP adjustments: 5 0,2 Stock-based compensation expense: 5 0,2 Cost of services \$ 33 Cost of services \$ 33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses 5 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense 8,281 Amortization of intangibles from business combina			4.005		5 200		4.005
Non-GAAP income from operations \$ 18,929 \$ 19,214 \$ 49,349 \$ 51 Non-GAAP operating margin 24% 23% 21% GAAP net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments Summer with a summer of the properations of the properations of the properation	con-GAAP income from operations \$ 18,92 on-GAAP operating margin 2 AAP net income \$ 9,82 on-GAAP adjustments: Secondary adjustments Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments 5,04 on-GAAP net income \$ 11,59 bares used in computing Non-GAAP diluted earnings per share 43,82 on-GAAP diluted earnings per share \$ 0,2 etail of Non-GAAP adjustments: Secondary adjustments Stock-based compensation expense: \$ 33 Cost of services \$ 33 Cost of services \$ 33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses 34 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense 3,21 Amortization of intangibles from business combinations: 2,21						_	4,065
Non-GAAP operating margin 24% 23% 21% GAAP net income \$ 9,828 \$ 7,316 \$ 20,488 \$ 23 Non-GAAP adjustments ************************************	AAP net income sp. 9,82 on-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments 6,22 on-GAAP net income sp. 11,59 hares used in computing Non-GAAP diluted earnings per share 43,82 on-GAAP diluted earnings per share 5,02 etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$333 Cost of maintenance 233 Cost of subscriptions 122 Subtotal 6,88 Operating expenses Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$9 Cost of subscriptions 32 Cost of maintenance 33 Cost of functional filense fees \$9 Cost of subscriptions 38 Cost of subscriptions 38 Cost of subscriptions 88 Cost of subscriptions 88 Cost of subscriptions 88 Cost of other revenue 11	46		7,714		16,863		14,532
Sample S	AAP net income \$ 9,82 on-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations 5,04 Add back: Tax impact related to Non-GAAP adjustments (3,28) on-GAAP net income \$ 11,59 hares used in computing Non-GAAP diluted earnings per share 43,82 on-GAAP diluted earnings per share \$ 0,2 etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$ 33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 32 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of subscriptions 38 Cost of subscriptions 880 Cost of subscriptions 880 Cost of other revenue 11	29	\$	19,214	\$	49,349	\$	51,880
Non-GAAP adjustments: Add back: Total Non-GAAP adjustments affecting income from operations 5,046 7,714 16,863 14 14,040 16,863 14 14,400 16,863 14 14,400 16,863 14 14,400 16,863 14,827 11,394 11,3	Add back: Total Non-GAAP adjustments affecting income from operations Add back: Tax impact related to Non-GAAP adjustments on-GAAP net income \$11,59 hares used in computing Non-GAAP diluted earnings per share and Non-GAAP diluted earnings per share etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services Cost of maintenance Cost of subscriptions Subtotal Operating expenses Sales and marketing Research and development General and administrative Subtotal Amortization of intangibles from business combinations: Cost of revenue Cost of revenue Cost of subscriptions 32,33 Cost of maintenance 32,31 Cost of subscriptions 32,33 Cost of maintenance 32,31 Cost of services 33 Cost of revenue Cost of services 33 Cost of revenue Cost of ficense fees 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 30 Cost of maintenance 31 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 30 Cost of other revenue	24%	_	23%	_	21%	_	23
Add back: Total Non-GAAP adjustments affecting income from operations 5,046 7,714 16,863 14 Add back: Tax impact related to Non-GAAP adjustments (3,280) (3,636) (7,644) (6 Non-GAAP net income \$ 11,594 \$ 11,394 \$ 29,707 \$ 31 Shares used in computing Non-GAAP diluted earnings per share 43,827 43,918 43,493 44 Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Stock-based compensation expense: Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of maintenance 230 138 544 Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subto	Add back: Total Non-GAAP adjustments affecting income from operations Add back: Tax impact related to Non-GAAP adjustments on-GAAP net income stages used in computing Non-GAAP diluted earnings per share on-GAAP diluted earnings per share on-GAAP diluted earnings per share stock-based compensation expense: Cost of revenue Cost of subscriptions Cost of subscriptions Sales and marketing Research and development General and administrative Subtotal Amortization of intangibles from business combinations: Cost of sevenue Cost of revenue Cost of revenue 3 Cost of revenue Cost of naintenance 3 Cost of subscriptions Subtotal Cost of subscriptions Cost of subscriptions Amortization of intangibles from business combinations: Cost of revenue Cost of sevenue Cost of sevenue Cost of subscriptions Cost of maintenance 3 Cost of subscriptions Cost of other revenue	128	\$	7,316	\$	20,488	\$	23,346
Add back: Tax impact related to Non-GAAP adjustments (3,280) (3,636) (7,644) (6 Non-GAAP net income \$ 11,594 \$ 11,394 \$ 29,707 \$ 31 Shares used in computing Non-GAAP diluted earnings per share 43,827 43,918 43,493 44 Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expenses: Cost of sevices \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of subscriptions 120 68 353 \$ 44 Cost of subscriptions 120 68 353 \$ 1	Add back: Tax impact related to Non-GAAP adjustments on-GAAP net income incomputing Non-GAAP diluted earnings per share on-GAAP diluted earnings per share on-GAAP diluted earnings per share on-GAAP diluted earnings per share etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services Cost of maintenance Cost of subscriptions 12 Subtotal Operating expenses Sales and marketing Aesearch and development General and administrative Subtotal Amortization of intangibles from business combinations: Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of subscriptions 80 Cost of other revenue 11							
Non-GAAP net income \$ 11,594 \$ 11,394 \$ 29,707 \$ 31 Shares used in computing Non-GAAP diluted earnings per share 43,827 43,918 43,493 44 Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expense: Cost of verenue Stock-based compensation expense: Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of subscriptions 230 138 544 Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense 2,817 3,234 9,062 5 <td>nares used in computing Non-GAAP diluted earnings per share and a special of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services Subtotal Operating expenses Sales and marketing Research and development General and administrative Subtotal Total stock-based compensation expense Amortization of intangibles from business combinations: Cost of revenue Cost of revenue Cost of subscriptions 312 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense Subtotal 2,13 Cost of revenue Cost of license fees \$9 Cost of services 33 Cost of services 33 Cost of subscriptions 80 Cost of subscriptions 80 Cost of other revenue</td> <td>146</td> <td></td> <td>7,714</td> <td></td> <td>16,863</td> <td></td> <td>14,532</td>	nares used in computing Non-GAAP diluted earnings per share and a special of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services Subtotal Operating expenses Sales and marketing Research and development General and administrative Subtotal Total stock-based compensation expense Amortization of intangibles from business combinations: Cost of revenue Cost of revenue Cost of subscriptions 312 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense Subtotal 2,13 Cost of revenue Cost of license fees \$9 Cost of services 33 Cost of services 33 Cost of subscriptions 80 Cost of subscriptions 80 Cost of other revenue	146		7,714		16,863		14,532
Shares used in computing Non-GAAP diluted earnings per share \$ 43,827 \$ 43,918 \$ 43,493 \$ 44 Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expense:	chares used in computing Non-GAAP diluted earnings per share on-GAAP diluted earnings per share stock-based compensation expense: Cost of revenue Cost of services Cost of subscriptions Subtotal Operating expenses Sales and marketing Research and development General and administrative Subtotal Total stock-based compensation expense Cost of revenue 23 Cost of services Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue	.80)		(3,636)		(7,644)		(6,594
Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of maintenance 230 138 544 Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 3,234 \$ 9,062 \$ 7	etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of services \$9 Cost of subscriptions 80 Cost of other revenue 11	94	\$	11,394	\$	29,707	\$	31,284
Non-GAAP diluted earnings per share \$ 0.26 \$ 0.26 \$ 0.68 \$ Detail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of maintenance 230 138 544 Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense 2,817 3,234 9,062 5 Amortization of intangibles from business combinations:	etail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of services \$9 Cost of subscriptions 80 Cost of other revenue 11	327	_	43,918	_	43,493		44,388
Detail of Non-GAAP adjustments: Stock-based compensation expense: Cost of revenue Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of subscriptions 230 138 544 Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses 8 422 424 1,093 1 Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations:	Stock-based compensation expense: Cost of revenue Cost of services \$ 33 Cost of maintenance 23 Cost of subscriptions 12 Subtotal 68 Operating expenses Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of services \$ 9 Cost of services \$ 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1	.26	\$	0.26	\$	0.68	\$	0.70
Stock-based compensation expense: Cost of revenue Cost of services \$ 335 \$ 360 \$ 1,072 \$ 1 Cost of maintenance 230 138 544 1 Cost of subscriptions 120 68 353 1 Subtotal 685 566 1,969 1 Operating expenses 3 3 1 Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 2,817 \$ 3,234 \$ 9,062 \$ 7	Stock-based compensation expense: Cost of revenue \$ 33 Cost of services \$ 23 Cost of subscriptions 12 Subtotal 68 Operating expenses \$ 25 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: \$ 9 Cost of revenue \$ 9 Cost of services 33 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1	<u> </u>	_		_		_	
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Cost of subscriptions 120 68 353 Subtotal 685 566 1,969 1 Operating expenses 8 353 1 Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 2,817 \$ 3,234 \$ 9,062 \$ 7	Subtotal 68 Operating expenses 42 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1							369
Subtotal 685 566 1,969 1 Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: Subtotal	Subtotal 68 Operating expenses 42 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1			68				153
Operating expenses Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 2,817 \$ 3,234 \$ 9,062 \$ 7	Operating expenses 42 Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1						_	1,534
Sales and marketing 422 424 1,093 1 Research and development 718 581 2,115 1 General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 2,817 \$ 3,234 \$ 9,062 \$ 7	Sales and marketing 42 Research and development 71 General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 1					,		,
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General and administrative 992 1,663 3,885 3 Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations: \$ 2,817 \$ 3,234 \$ 9,062 \$ 7	General and administrative 99 Subtotal 2,13 Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations:	′18		581		2,115		1,609
Subtotal 2,132 2,668 7,093 6 Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations:	Total stock-based compensation expense \$ 2,81 Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 11	192		1,663		3,885		3,764
Total stock-based compensation expense \$ 2,817 \$ 3,234 \$ 9,062 \$ 7 Amortization of intangibles from business combinations:	Total stock-based compensation expense Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 11	32		2,668			_	6,378
Amortization of intangibles from business combinations:	Amortization of intangibles from business combinations: Cost of revenue Cost of license fees \$ 9 Cost of services 33 Cost of maintenance 32 Cost of subscriptions 80 Cost of other revenue 11		\$		\$		\$	7,912
-	Cost of revenue9Cost of license fees33Cost of services33Cost of maintenance32Cost of subscriptions80Cost of other revenue1	_	<u> </u>		<u> </u>		Ė	7-
LAST OF FOVERING	Cost of license fees\$ 9Cost of services33Cost of maintenance32Cost of subscriptions80Cost of other revenue1							
	Cost of services33Cost of maintenance32Cost of subscriptions80Cost of other revenue1	95	\$	80	\$	266	\$	166
	Cost of maintenance32Cost of subscriptions80Cost of other revenue1		Ψ		Ψ		Ψ	1,004
	Cost of subscriptions 80 Cost of other revenue 1							566
	Cost of other revenue1	126						1,749
		326 807						1,748
	Subtotal	307		10			_	3,541
		307 19	_	1 725				0.04
· · · · — — — — — — — — — — — — — — — —	<u></u>	307 19 583		1,735	_	4,736		
Total amortization of intangibles from business combinations \$ 1,777 \$ 1,925 \$ 5,308 \$ 4	Total amortization of intangibles from business combinations \$ 1,77	807 19 583 94		190	_	572	_	524 4,065